The National Business Center

NB℃
The National Business Center
Government Shared Service Provider

FY 2007
OPERATIONAL
PERFORMANCE
REPORT

February 2008

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Section 1: EXECUTIVE SUMMARY

T he National Business Center (NBC) is a shared service-provider organization that provides general administrative and management services and systems through eight Lines of Business (LOBs) including Acquisition Services, Administrative Operations (Admin Ops), Appraisal Services (ASD), Aviation Management Services (AMD), Financial Management Services (FM), Human Resource Services (HR), Information Technology Services (IT), and Training Services (TSD).

The NBC continues to be a leading provider of quality services. As competition and choice are essential to the delivery of quality service, the NBC recognizes that it must earn and retain its DOI and other Federal Agency customers by providing better service than other government Shared Services Centers and private sector providers. Therefore, the NBC has made the following three critical success factors central to its strategy for success: Customer Service Excellence, Quality Products and Services, and Efficient and Economical Operations. In support of these initiatives, NBC has continued to monitor strategic roadmap accomplishments, analyzed results and performance against plan, and created follow-on strategies to capitalize on the momentum. A few key highlights for FY07 include:

- NBC established a **customer satisfaction measurement program** and completed a baseline. Overall, **85%** of NBC customers across all LOBs are either completely or somewhat satisfied with the services they received.

- NBC made tremendous progress in providing transparency and **clarity of operations performance**. Service Level Agreements (SLAs) that include specific and measurable performance indicators were established and baseline across all NBC LOBs. For all NBC services in Q4 FY07 **89%** of SLA objectives were achieved.

- NBC developed and implemented an NBC-wide **Control and Compliance Policy** and supporting program to meet internal and financial control requirements as identified in OMB Circular A-123 and Departmental policy. NBC's A-123 compliance program **achieved all program objectives** for FY2007.

- NBC established a **Quality Management Initiative**, based on the industry **ISO 9001** standard, to ensure customers received the quality they expect, achieve customer satisfaction objectives, and instill continuous improvement practices throughout NBC. The NBC Quality management System and continuous improvement processes **have been established**. In addition, core business processes for the Aviation, Acquisition, and Human Resources service areas have been standardized, documented, and improved based on applicable best-practices.

- NBC **developed a comprehensive Human Capital Plan** that identifies the critical initiatives necessary to achieve NBC's service objectives in our dynamic, servicing environment. The Plan also addresses the strategies necessary for NBC to compete for an anticipated shortage of available resources and evolve the critical competencies of the NBC workforce, including management.

Executive Summary

- NBC **successfully realigned the GovWorks/IFF function** into NBC, completed thorough assessments in preparation for the creation of an integrated acquisition operation, and considerably improved procedures and compliance in several NBC acquisition offices through policy standardization and training.

- NBC also **achieved all strategic plan milestones** for the **Appraisal Services LOB** as set forth in the prior version of the NBC Strategic Plan for FY06 – FY07.

- The NBC had a major role in bringing the **National Indian Programs Training Center** (NIPTC) **into operations during FY06**. The NIPTC is managed by DOI University and opened for business on April 27, 2006. The center provides state-of-the-art training to individuals committed to fulfilling the government's responsibilities to Indian Country.

- NBC successfully implemented an **aggressive IT security improvement plan** and **achieved compliance** with the Federal Information Systems Management Act (FISMA) and OMB Circular A-130 requirements and will move forward with additional improvements as detailed in this plan.

- NBC used a cost accounting methodology and reporting system to successfully complete an **ABC cost management** pilot project during FY06 and baselined costs for services during FY07 and developed strategies to assist NBC leadership in decision making and to identify additional **efficiency** opportunities.

Performance Management

In addition to these accomplishments, the NBC is embedding performance management principles into its core operating processes throughout its eight LOBs. At the core of this approach is the philosophy that operating performance information serves multiple purposes, both strategic and tactical. For example, NBC has begun to utilize performance information to direct strategic planning initiatives to incorporate best business and service practices throughout the organization. In addition, NBC has begun to incorporate production and productivity information into business and operational planning efforts basing future projections on a combination of historical levels, trends, and market conditions.

Along with these strategic and planning uses, there are more practical reasons for gathering performance information. The NBC obtains and analyzes relevant performance data to clearly demonstrate and communicate operational performance. This approach will enable the NBC and its customers to have better insight and a more common understanding as to how effectively, efficiently, and economically the NBC provides shared services.

The performance management framework to the right, details the inputs, outputs, and outcomes as well as the sources of information within each category.

Performance Management Framework

This Operational Performance Report (OPR) for FY07 identifies and analyzes key Operational Performance Indicators (OPIs) by LOB. Each of NBC's LOBs currently reports a series of performance measures and metrics on an annual, quarterly, or monthly basis, depending on the nature of the data requested. Only a subset of this performance data is included within the FY07 OPR.

The OPIs contained within this report were selected to address the following areas of performance:

- Outputs – Identifies how many units of a product or service were produced or provided,

- Outcomes – A value of the productivity of output measures (*Note*: In some cases, where a calculated value wasn't readily apparent, an inherent value was selected.),

- Service Level Agreement (SLA) – A measure of how effectively the NBC successfully achieves its service commitments, and

- Customer Satisfaction – How well the NBC satisfies the service needs of its customers.

Service Level Agreements

SLAs are critical to determine NBC's performance, as these serve as objective measures designed to provide a clear understanding regarding the NBC's service goals and accomplishments. As a shared service provider, the NBC relies on SLAs, which are an effective tool to improve communications, manage expectations, and monitor performance. Since each SLA encompasses a set of performance measures, there is a direct correlation between the SLA achievement rate and overall customer satisfaction for each of the LOBs.

This OPR addresses critical performance measures for each service area and, when considered in the aggregate, establishes the bigger picture of overall NBC performance across all services. Specifically for FY07, the NBC met 83% of its overall SLA metric goals and surpassed the American Customer Satisfaction Index (ACSI) rating of 72.3% for every one of its eight LOBs.

Additionally, some of the output and outcome measures for many of the NBC's LOBs reveal they are the leading providers of certain shared services performed. Specific areas in which NBC's LOBs excel are illustrated in the table below.

Line of Business	Service Performance Achievement
Admin Operations Services	100% accuracy for the 104,152 total drug tests performed in FY07
Aviation Management Services	99% overall on-time inspection rate for the 2,477 aircraft inspections performance in FY07
Financial Management Services	99% overall on-time processing rate for the 279,339 vendor payments processed in FY07
Human Resource Services	99.7% overall on-time resolution rate for employee helpdesk calls in FY07
Training Services	100% of Professional Development courses provided within scheduled timeframes in FY07

These areas of exceptional performance, which are later delineated in the report with a "gold star," demonstrate the NBC's ability to successfully provide superior shared services for a wide array of customers. This report further analyzes these key leading indicators and additional performance measures to not only illustrate the variety and breadth of the shared services offered by the NBC, but also to demonstrate the volume and complexity of the NBC's internal operations and how effectively and efficiently the NBC performs these services for its customers.

Operational Performance Report

Section 2: OPERATIONAL PERFORMANCE REPORT

The NBC's FY07 OPR identifies and analyzes various OPIs by LOB to provide NBC leadership, as well as NBC customers, with a clear indication of the value NBC services and a comprehensive visibility into performance. The main areas of performance measured and analyzed in this report include production volumes, SLA achievements, and customer satisfaction results. The specific OPIs addressed within this report have been summarized in the table on the following page.

The functions and corresponding benefits of measuring and managing performance across any organization are numerous. NBC recognizes that organizational performance measurement cannot be left to chance, with the challenge being to measure the right things, at the right time, apply the right analysis to develop the right actions. A partial listing of the functions of performance management is as follows:

- Measurement Directs Behavior;

- Measurement Increases Visibility;

- Measurement Focuses Attention;

- Measurement Clarifies Expectations;

- Measurement Enables Accountability;

- Measurement Increases Objectivity;

- Measurement Promotes Consistency, etc.

The measures listed below are NBC's pilot measures and represent NBC's pilot endeavor to report and provide detailed and constructive analysis on Operational Performance Measures relevant to both internal and external audiences.

The NBC FY07 OPR is organized into a section for each LOB that includes the associated OPIs for that respective LOB, as listed within the table below. Within each LOB section, the associated OPIs are analyzed in detail and are presented with a graphical representation of the data. Wherever possible, a detailed analysis of the data and graphical depiction are also provided to identify emerging trends or to assess patterns.

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Operational Performance Indicator by LOB

LOB/Entity	Operational Performance Indicator (OPI)
NBC	Customer satisfaction
	Percent (%) of SLA metrics met
Acquisitions Services	Number of contracts awarded
	Obligated dollar value of all contract awards
	Average value of contracts awarded
	Percent (%) of invoices paid on-time via GovPay
	Percent (%) of SLA metrics met
Appraisal Services	Number of appraisal requests
	Dollar value of assets for appraisals completed
	Average value of an appraisal request
	Percent (%) of appraisals completed on time
	Percent (%) of SLA metrics met
Administrative Operations	Number of drug collections performed
	Percent (%) accuracy of drug tests performed
	Percent (%) of lab results available on time (within 5 business days)
	Average number of days to receive lab results
	Number of routine building maintenance facilities requests
	Percent (%) of building maintenance facilities requests responded to on-time (within 2 days)
	Number of transit subsidy requests
	Number of SmartBenefits and Metro Check enrollments
	Number of special events hosted
	Percent (%) of SLA metrics met
Aviation Management Services	Number of aircraft inspections
	Number of flight hours and number of aircraft accidents
	Percent (%) of aircraft inspections performed on time
	Number of module credit hours completed for instructor led programs
	Number of online modules completed
	Percent (%) of SLA metrics met
Financial Management Services	Number of vendor payments processed
	Percent (%) of vendor payments processed on-time (Federal)
	Percent (%) of vendor payments processed on-time (non-Federal)
	Number of PCS payments processed
	Number of TDY payments processed
	Percent (%) of Vendor, PCS, and TDY payments paid by EFT
	Amount of interest paid on late payments
	Number of eligible debt referrals
	Value of debt referrals
	Total number of helpdesk tickets
	Percent (%) of time FM system is available to users
	Percent (%) of SLA metrics met
Human Resource Services	Number of payroll disbursements
	Value of payroll disbursements
	Average value of a payroll disbursement
	Percent (%) of employee calls responded to on-time (within 2 hours)
	Percent (%) of employee calls resolved on-time (within 24 hours)
	Percent (%) of system end user calls responded to on-time (within 4 hours)
	Percent (%) of system end user calls resolved on-time (within 48 hours)
	Percent (%) of SLA metrics met
Information Technology Services	Number of helpdesk tickets
	Number of incidents/attacks blocked, thwarted, or deterred
	Percent (%) of helpdesk tickets responded to on-time
	Percent (%) of SLA metrics met
Training Services	Number of professional development courses conducted
	Number of students in professional development courses
	Average number of students per course
	Percent (%) of professional development courses provided within scheduled time frames
	Number of mandatory online courses completed
	Number of new online courses developed
	Percent (%) of SLA metrics met

2.1 NATIONAL BUSINESS CENTER

Services Provided by the NBC

As a shared services provider, the NBC supports the Office of the Secretary and Bureaus within the Department of the Interior (DOI), as well as external Federal agencies by offering world-class business management systems and services. The NBC provides exceptional value and improves the efficiency and effectiveness of customer agencies in the business management functions it supports, thereby allowing customer organizations to focus on their core missions.

The NBC offers a diverse, yet integrated, set of business solutions across eight LOBs including Acquisition Services, Administrative Operations, Appraisal Services, Aviation Management Services, Financial Management Services, Human Resource Services, Information Technology Services, and Training Services, which are further detailed in subsequent sections of this OPR.

NBC Performance Analysis

The Office of the Director of the NBC requires each of its LOBs to report various performance data related to SLA achievement and Customer Satisfaction, which has been rolled-up to the NBC-enterprise level for this report. Thus, two primary performance indicators have been assessed for the NBC as a whole, including:

- **Overall Percent of SLA Metrics Met by Quarter** – This entails a calculated percentage of SLA measures achieved for each of the eight LOBs by quarter for FY07. SLA metrics are essential to the NBC and its customers as a tool to communicate and track performance expectations and levels. Additionally, these have demonstrated a correlation to customer satisfaction and may provide data for additional analysis to explain customer satisfaction levels or changes. As such, SLA information provides key insight for both NBC and customers and has become an important element within a comprehensive organizational performance management program for NBC.

- **Overall Customer Satisfaction** – Customer Satisfaction was determined through a comprehensive customer survey including each of the eight LOBs during FY07. Measuring customer satisfaction is important for NBC, enabling it to objectively assess the satisfaction levels of customers of each LOB and for the NBC on the whole. NBC intends to utilize customer satisfaction information to identify and assess changes that may need to be made to increase organizational performance.

Figure 2.1.1 – Percent of SLA Metrics Met by Quarter in FY07

Figure 2.1.1 represents the percent of SLA metrics met by quarter in FY07. The NBC met 73% of the SLA metric goals in Q1 and 82% in Q2. In Q3, the percent of SLA metrics met increased to 90%. There was a slight decrease in Q4, to 89% of SLA metrics met. Overall in FY07, the NBC met 83% of SLA metric goals. The details behind each LOB's SLA metric achievements are outlined in subsequent sections of this report.
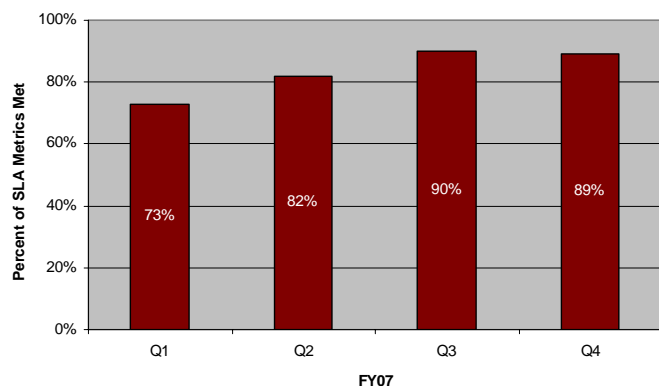
In general, NBC demonstrated improvement throughout FY07, as shown by the increase in percent of SLA metrics met. Noted areas for improvement in FY07 included:

- Appraisal Services – timely completion of projects was a metric consistently below target. Appraisal Services made efforts to emphasize the importance timely recording of project completions to its employees and contractors. Subsequently, the LOB expects that the percent of appraisals completed on-time will increase significantly in FY08.

- Aviation Services – timely completion of issue resolution plans was below target in the first two quarters. However, NBC is revisiting this measure in FY08 as issue resolution plans can refer to any number of customer issues for the multitude of services provided by Aviation Services. This issue area will be easier to address once the metric is more focused on a specific target.

- Financial Management Services – metrics related to timely vendor payments and timely posting of suspense transactions were below target until Q4. As FM improved internal controls and processes throughout FY07, performance steadily increased reaching 100% at the end of the year.

- Human Resource Services – availability of staff to respond to customer inquiries and on-time response rates for employee calls to the help desk were slightly below target in FY07. In order to address these issues, new procedures were implemented in FY08.

- Information Technology Services – metrics related to system availability and helpdesk support were below target. These areas have been a focus for IT Services, and improvements are expected as IT works to incorporate industry standards and best practices into their processes in FY08.

Customer Service and Satisfaction

Figure 2.1.2 represents a comparison of customer satisfaction and the percent of SLA metrics met for each LOB and the NBC overall in FY07.

Customer satisfaction levels are correlated to the SLA achievement level for each LOB. Customers expect that the service provided by NBC meets the service commitments, which are defined in the SLAs. Overall, 83% of NBC customers surveyed were somewhat or completely satisfied with the service they received. This customer satisfaction level is more than 10% higher than the American Customer Satisfaction Index (ACSI) rating for satisfaction within the government, which in FY07 was 72.3%. Customers felt that a key strength of NBC was the quality of NBC's personnel and customer service. Customers expressed low satisfaction with NBC's timeliness.

Figure 2.1.2 – Customer Satisfaction and SLA Metrics FY07
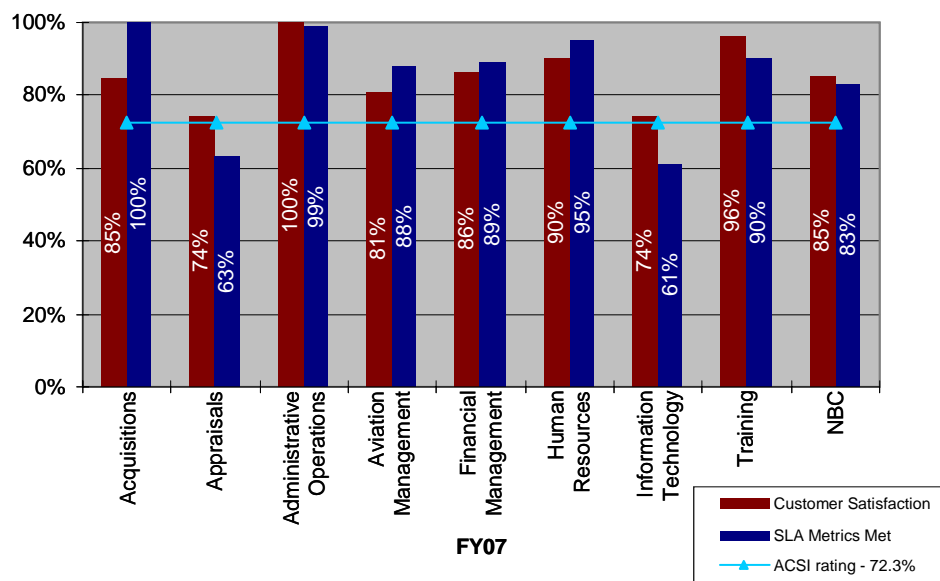
NBC recognizes the important areas of improvement for FY08. Overall, customer satisfaction for all LOBs was above the ACSI rating, however it is evident that Appraisal and IT are important areas for NBC to focus improvement efforts in FY08.

Appraisal clients have expressed dissatisfaction with timely completion of projects. To alleviate this issue Appraisal Services is focused on providing timely updates, increased use of systems and processes, and decreasing the backlog of outstanding work products to clients. IT customers have expressed dissatisfaction with the timeliness of response rates to helpdesk issues.

NBC is commited to providing exceptional customer service and has planned and implemented improvement activites that affect people, processes and technology related to enterprise helpdesk activites. These improvement plans were developed in FY07 and

NBC's Customer Service Framework

implementation began in ernest in FY08, with a phased roll out of a single toll free number for all NBC help desks, and enhanced telecom capabilities that in clude self service and call routing to proper customer service agents. NBC fully expects both performance and customer satisfaction levels to increase as a result.

As both a shared service provider and a customer-focused organization, NBC realizes the importance of meeting service goals and expectations. In addition to addressing issues identified in FY07, NBC is looking to revisit and revise SLA metrics in FY08 to continue to impelement best-practices, monitor performance, and direct future improvement activities, as needed.
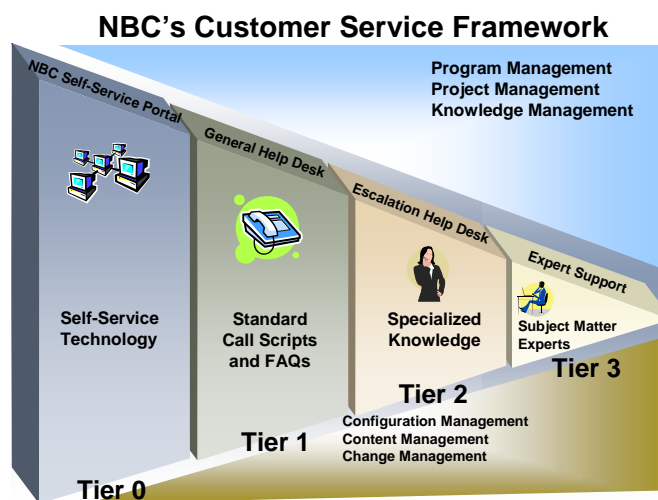
2.2   ACQUISITION SERVICES LINE OF BUSINESS

Services Provided by Acquisitions Services

Professionalism and Expertise within the NBC Acquisition organization provides customers with a highly skilled team of contracting professionals that understand the complexities of the acquisition process. They bring peace of mind to Department of the Interior and other Federal agencies by managing the entire project from start to finish — from planning, soliciting and evaluating offers, to awarding and administering contracts, through closeout. Our Contracting Officers use all available options, including GSA Schedules, GWACs, and IDIQs to fulfill customer requirements.

The NBC's Acquisition Services LOB is uniquely positioned to provide lifecycle acquisition services in a fully electronic environment to a diverse array of clients. The LOB remains accountable through use of strong policies and procedures, cost effective operations, and a flexible, trained workforce. Acquisition Services LOB provides full lifecycle acquisition services including contract support for: IT Systems and Services, Non-IT Services, Technology Research and Development, Supplies, Aviation Services, Construction, Financial Agreements, Appraisal Services, and Facilities Leasing Services. In addition to the Acquisition Services office in Washington, D.C., our integrated organization now includes offices in Boise, ID, Denver, CO, Sierra Vista, AZ, and Herndon, VA

A summary description of each of the organizational core competencies have been identified and are described in Figure 2.2.0.

Figure 2.2.0: Acquisition LOB Service Offerings

Service Offerings	Service Offering Description
Information Technology (IT) Systems & Services	Supplies and/or services for the use of electronic computers, computer software, information services, telecommunications, management information services, and managed service providers to convert, store, protect, process, transmit and retrieve information.
Non-IT Services	Services are primarily administrative, managerial, or consultative. Services include a wide variety of service acquisitions, ranging from facility, physical security, and guard services, to financial auditing and accounting.
Technology Research & Development	Engineering, manufacturing and quality services dedicated to creating innovative solutions for advanced technologies, and identifying technology advancements which are then incorporated into production designs of future systems.
Supplies	Wide variety of equipment /materials readily available for purchase on the commercial market in potentially large volumes.
Aviation Services	Support for aviation missions that require distinctive aviation flight skills including wild land fire suppression efforts, wildlife capture and research, natural resource management, search and rescue operations, law enforcement, oil and gas production oversight, non-combat testing and scientific research. Additional expertise includes professional aviation program management, technical aviation services, training, safety programs, accident investigation, and contract compliance inspections.
Construction	Construction services include the assembly, alteration, renovation and/or repair of buildings, structures, and other real property, including improvements of all types.
Financial Agreements	Financial Agreements are designed to encourage entities (contractors/consortiums) that normally do not contract with the Government to participate in R&D type activities for the stimuli of public purpose. NBC provides award and administrative services for Grants, Cooperative Agreements and Other Transactions.
Appraisal Services	Contract appraisal services in support of real property transactions for land management bureaus.

Service Offerings		Service Offering Description
Facility Leasing Services		Acquiring administration of leased facilities and office space for NBC and DOI clients. This service includes acquisition planning for the appropriate space needed by the clients, expert lease negotiations and administration of lease executed for the entire life of the lease or until lease is terminated prior to the expiration of the lease at the request of the client..
Indirect Cost Service		Responsible for negotiating indirect cost rates with all Native American and Territorial governments, regardless of funding, and with state, local, and non-profit organizations that receive the majority of their Federal funds from DOI

In order to effectively manage business processes and demonstrate their capabilities to customers, Acquisition Services collects and utilizes performance metrics that demonstrate their capabilities in providing world-class acquisition support. Each of Acquisition Services LOB services are offered on a competitive, best-value basis to all Federal Agencies across the government.

Acquisition Services Performance Analysis

In this report, the following indicators and analyses are presented for Acquisitions:

- Number of Contracts Awarded by Quarter in FY07

- Obligated Dollar Value of Contract Awards by Quarter in FY07

- Average Dollar Value of a Contract by Quarter in FY07

- Percent of Invoices Paid On-Time through GovPay by Quarter in FY07

- Percent of SLA Metrics Met by Quarter in FY07

During FY07, the Acquisition Services LOB saw excellent performance in regards to its percent of SLA metrics met, as well as its customer satisfaction ratings. Similarly, the percent of invoices paid on time reached almost 100%, mostly due to the utilization of the GovPay system. However, for the number of contracts awarded, as well as the obligated dollar value for these contracts, significant fluctuations occurred for three primary reasons: a Continuing Resolution Authority (CRA) enacted during Q1, Department of Defense (DOD) restrictions enforced during Q3, and year-end remaining budget allocations spent during Q4. The impact of each of these factors on the performance of Acquisitions Services is explained in more detail in the following sections.

Figure 2.2.1 – Number of Contracts Awarded by Quarter in FY07

Figure 2.2.1 provides the total number of contracts that the Acquisition Services LOB awarded by quarter during FY07. In Q1, NBC procured 2,299 contracts. The number of contracts awarded increased by 43% to 3,292 in Q2. In Q3, contracts awarded decreased to 2,324. Again, there was an increase of 24% in Q4, totaling 2,886 contracts awarded. The total number of contracts awarded for FY07 was 10,801.

The lower number of contracts awarded in Q1 was attributed to the CRA enacted in the beginning of FY07. Agencies were restricted to incremental funding under this CRA, resulting in fewer new contracts signed. In Q2, Congress approved the budget and the CRA ended, resulting in a sharp increase (43%) in the number of contracts awarded.

In Q3 of FY07, NBC saw contracts volume decline due to DOD restrictions placed on the Acquisition Services LOB. The restrictions limited procurement to contracts less than or equal to $100,000, and in FY07, DOD
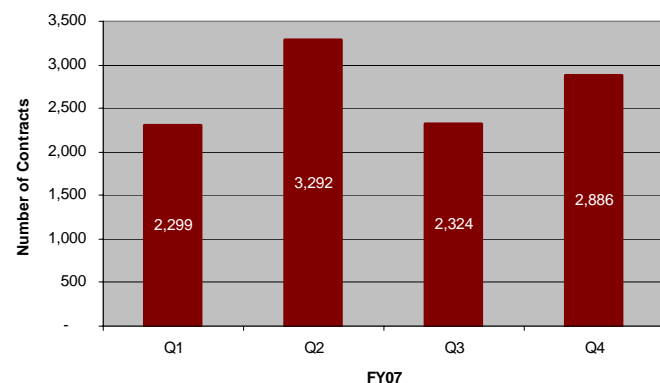
represented nearly 60% of Acquisition's business. The reason for the increase in the number of contracts awarded in Q4 is two fold. Firstly, DOD lifted some of the restrictions on NBC, resulting in an influx of contracts. Secondly, historically there is an increase of agency spending towards the end of the fiscal year.

Figure 2.2.2 – Obligated Dollar Value of all Contract Awards by Quarter in FY07

Figure 2.2.2 represents the obligated dollars for the contracts awarded by quarter in FY07. In Q1, NBC awarded $329M in contracts. The total value of contracts awarded increased by 51% to $497M in Q2.   In Q3, the value of contracts awarded decreased to $311M. There was an increase of 26% in Q4, totaling $393M in contracts awarded. The total contract dollars awarded in FY07 was $1.53B.

The fluctuating trend in the value of contracts awarded is due to a direct relationship between the number and total value of contracts awarded. In FY07, agencies spent more money after the CRA ended, and historically agencies spend more money towards the end of the fiscal year.
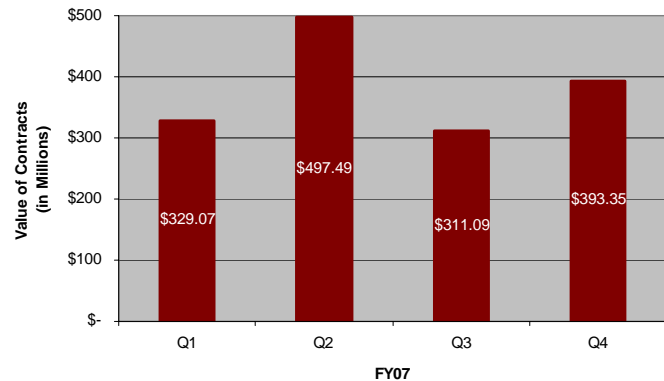
Figure 2.2.3 – Average Value of Contracts Awarded by Quarter in FY07

Figure 2.2.3 represents the average value of an awarded contract by quarter in FY07. In Q1, NBC's average contract value was $143K. The average value of a contract increased, by 6%, to $151K in Q2. In Q3, the average value decreased by 11% to $134K. In Q4, there was a slight increase of 2% to $136K. The average value of a contract awarded in FY07 was $141,746.

In Q2, after the CRA ended, agencies were able to spend more money on contracts, resulting in a higher average contract value awarded. The DOD restrictions placed on the NBC resulted in slightly lower contract values on average in the Q3. After Acquisition Services successfully completed the action plan for these DOD constraints in Q4, some restrictions were lifted and activities resumed at near normal levels. This resulted in a slightly higher average contract values from Q3.
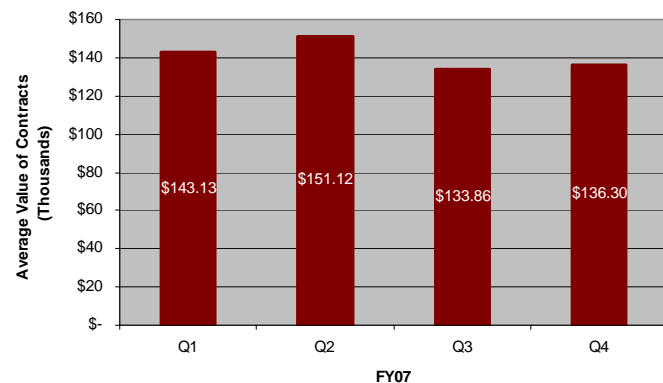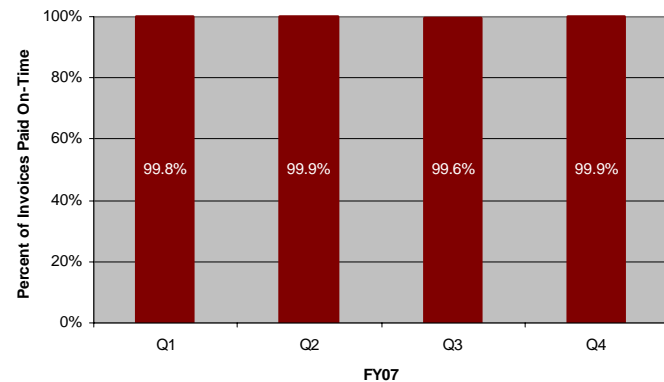
Figure 2.2.4 – Percent of Invoices Paid On-time via GovPay by Quarter in FY07

Figure 2.2.4 represents the percent of invoices paid on-time via GovPay by quarter for the Herndon office only in FY07 (Note: other Acquisition Services offices track invoices manually, thus their data was not readily available for inclusion in this report). The Herndon office pays approximately 99% of all of its invoices using this system. Invoices paid using this system were paid on-time an average of 99.8% during FY07. A slight decrease occurred in Q3, as the percent paid on-time was 99.6%.

The implementation of GovPay for Acquisition's Herndon office has resulted in an increase of invoices paid on-time. Prior to the use of this system, the Acquisitions LOB estimates that approximately 98% of invoices were paid on-time for the Herndon office. This increase in the percent of invoices paid on-time is valuable for the NBC because unnecessary late interest payments are avoided when payments are made on-time. There have been discussions within NBC towards using the GovPay or FBMS systems for the entire LOB in the future in order to increase on-time payment rates.

Figure 2.2.5 – Percent of SLA Metrics Met by Quarter in FY07

Figure 2.2.5 represents the percent of SLA metrics met by quarter in FY07. During FY07 Acquisitions fulfilled all of their SLA metrics goals each quarter.

The four currently collected SLA metrics for the Acquisitions LOB encompass accuracy, efficiency, availability, and customer satisfaction of the services provided. In FY08, NBC is revisiting these SLA metrics in order to incorporate best practices for these service offerings and to improve performance measures. We anticipate that these revisions will enable further success of this LOB.
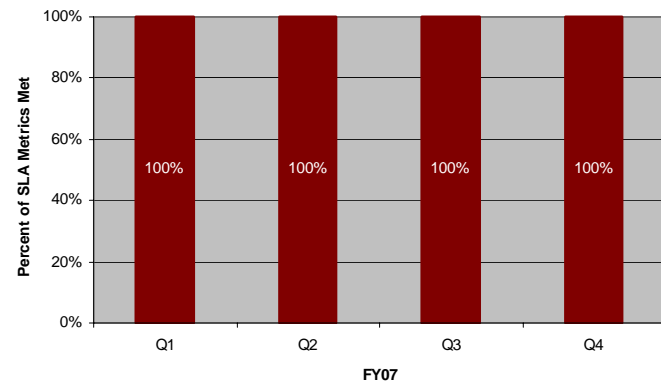
Acquisition LOB Summary

In conclusion, the Acquisition LOB provides lifecycle acquisition management services to a diverse array of clients. As a part of their shared services provisions, Acquisitions awarded thousands of contracts during FY07, with fluctuations occurring from quarter to quarter as a result of the CRA enacted during Q1, the DOD restrictions enforced during Q3, and a historical increase of agency spending towards the end of the fiscal year in Q4. This trend had a similar impact on obligated dollar value of awarded contracts, as well as the average value of contracts awarded for FY07. However, despite these fluctuations, which were out of the control of Acquisition Services, the LOB achieved 100% of its SLA metrics during FY07.

2.3 APPRAISAL SERVICES LINE OF BUSINESS

Services Provided by Appraisal Services

NBC Appraisals Directorate, with its variety of locations, is organizationally structured to support clients and to provide administrative and infrastructure support to the appraisers to improve coordination and consistency in implementing appraisal guidance, professional development of appraisers, and greater efficiencies in contract monitoring and management.

The Appraisal Services LOB provides a full range of appraisal-related services including General Appraisal Services, Appraisal Review Services, Valuation Program Management Services, Appraisal Consulting, and Concession Valuation Services for customers. The LOB provides these services, primarily to Interior Bureaus, for the purpose of assisting with their respective land transaction business decisions in a professional, efficient manner. The NBC appraisers provide market value appraisals concerning real estate acquisitions, disposals and exchanges on behalf of its customers. The types of properties appraised include recreational, agricultural, commercial, industrial, and residential and also take into account various components such as minerals, water rights, and timber.

Each of the Appraisal Services LOB four-core service offerings is designed to effectively respond to customers' changing needs and expectations. A summary description of each service is provided in Figure 2.3.0.

Figure 2.3.0: Appraisal LOB Service Offerings

Service Offerings	Service Offering Description
Valuation Program Management Services	Providing management, policy development, and oversight to an organization's valuation program, such as with the Office of the Special Trustee's Office of Appraisal Services (OST/OAS).
Appraisal Services	Provide clients with credible independent appraisals, meeting all appropriate and applicable government and professional standards. Provide client specific appraisal products.
Appraisal Review Services	Provide clients with reviews of appraisals by competent review staff. Ensure that appraisal opinion results are credible and appraisal and appraisal review reports comply with applicable government and professional standards.
Valuation Consulting Services	Serve as an expert resource in valuation issues. Provide written or oral consultation as requested.

It is important to note that unlike most other NBC LOBs, Appraisal Services focuses on policy development and oversight as well as client support. Appraisal Services emphasizes the importance of improving appraiser coordination and increasing consistency in implementing appraisal guidance, professional development of appraisers, and efficiencies in contract monitoring and management. It is a focus of Appraisal Services to assist with client's respective land transaction business decisions in a timely, efficient manner. However, occasionally, policy requirements prevail. NBC is taking steps in FY08 to improve their own efficiencies, allowing for greater customer satisfaction.

Appraisal Services LOB Performance Analysis

In this report, the following indicators and analyses are presented for Appraisal Services:

- Number of Appraisal Requests by Quarter in FY07

- Dollar Value of Assets for Appraisals Completed by Quarter in FY07

- Average Value of an Appraisal Request by Quarter in FY07

- Percent of Appraisals Completed On-Time by Quarter in FY07

- Percent of SLA Metrics Met by Quarter in FY07

During FY07, the Appraisal Services LOB experienced normal fluctuations in operational performance as it related to the number and total dollar value of all land appraisals conducted during the year. Typically, the number of appraisals holds fairly steady during Q1 through Q3, then spikes in Q4 as a result of two primary factors: agencies historically increase spending towards the end of the fiscal year and seasonal influences during the summer months increase workload.

However, Appraisal Services had some areas of difficulty in regards to percent of appraisals completed on time and SLA metrics met as a result of contracting delays, understaffed regions, and untimely updating of the Audit Accountability and Resolution Tracking System (ARRTS). Further detail for these indicators is provided in the analyses and sections below.

Figure 2.3.1 – Number of Appraisal Requests by Quarter in FY07

Figure 2.3.1 provides the number of all land appraisal requests received by quarter in FY07. The number of "appraisal requests" includes requests for appraisal and review, appraisal review only, concessions appraisals, preliminary value estimate, and rental appraisals, encompassing the majority of the work completed by the Appraisal LOB. Additionally, a single "appraisal request" may include multiple land appraisals (i.e. one appraisal request may encompass a dozen individual land appraisals due to multiple owners of a particular piece of land requiring assessment).
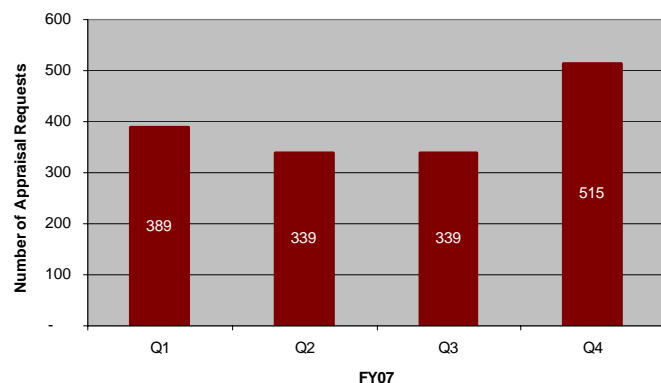

In Q1, NBC received a total of 389 appraisal requests. The total number of appraisal requests decreased by 13% to 339 in Q2 and stayed steady in Q3. There was an increase of 52% in the number of requests from Q3 to Q4 to 515 appraisal requests. The total number of appraisal requests for FY07 was 1,582.

Workload for Appraisal Services is driven by customer demand, therefore is influenced by funding sources for customers, as well by the requirement for appraisal requests within the funded projects. The large increase in the number of appraisal requests in Q4 is two-fold. Firstly, historically towards the end of the fiscal year there is an increase in agency spending. Secondly, the completion of appraisals is seasonal. Q4 spans the months of July, August, and September – the warmer summer months. Thus, appraisers are able to complete more appraisals during Q4 as the climate and longer days allow for appraisers to be outdoors more frequently and for longer periods of time.

Figure 2.3.2 – Dollar Value of Assets for Appraisals Completed by Quarter in FY07

Figure 2.3.2 provides the dollar value of assets for appraisals completed by quarter in FY07. The value of assets appraised includes requests for appraisal and review, appraisal review only, concessions appraisals, preliminary value estimate, and rental appraisals, encompassing the majority of the work completed by the Appraisal Services LOB.

In Q1, NBC appraised assets totaling a value of $505M. The dollar value of all assets decreased to $256M in Q2 and $177M in Q3. There was an increase of 362%, or $640M, in the dollar value of all asset appraisals from Q3 to Q4. The total dollar value of all asset appraisals for FY07 was $1.5B.
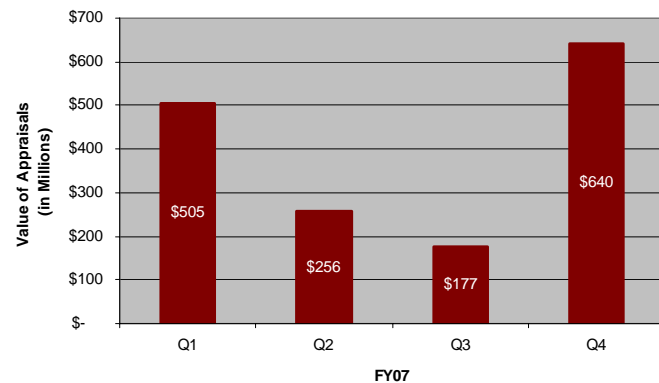
The large increase in the value of appraisal assets completed in Q4 can be explained by the reasons noted for the Number of Appraisal Requests (Figure 2.3.1). Workload for Appraisal Services is customer driven. Agencies request more appraisals towards the end of the fiscal year, and appraisers are able to complete more appraisals in the summer months due to warmer weather and longer days.

The higher value in Q1 was attributed delays in reporting completed appraisals from Q4 FY06. The appraisals reported are counted when the project is considered to be complete in the AARTS system. Often, land will be appraised in a particular quarter, and the project will not be reported as complete until the next reporting period. Appraisal has since taken steps to emphasize the importance of timely reporting to employees and contractors.

Figure 2.3.3 – Average Value of an Appraisal Request by Quarter in FY07

Figure 2.3.3 represents the average value of the asset appraised for completed appraisal requests by quarter in FY07. Following the trend of the dollar value of appraisals and the number of appraisal requests, the average value of an appraisal decreased consistently from $1.3M in Q1 to $756K in Q2 to $521K in Q3. However, in Q4, there was an increase of 138% to $1.24M. The average land value of an appraisal in FY07 was $1M. This trend can be explained by the same reasons noted for Figures 2.3.1 and 2.3.2. Appraisers are able to complete more appraisals in the summer months due to warmer weather, longer days, and ease of

travel. Additionally, appraisers are more likely to complete appraisals of higher value as the land parcels they travel to during these months are generally larger. The high value in Q1 was attributed to appraisals completed in Q4 FY06, which weren't reported as complete until Q1 FY07.
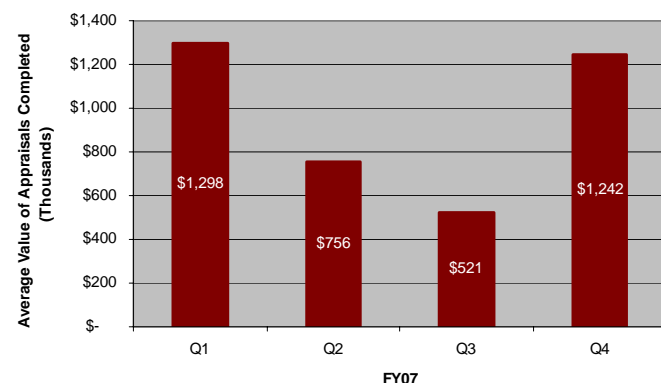
Figure 2.3.4 provides the percent of appraisals completed on-time (within original commitment dates) by quarter in FY07. Original commitment dates determined for each project may differ per agreement. Therefore, there is not currently a hard target number for appraisal completion dates. In Q1, NBC performed 43% of appraisals on-time. The percent of appraisals completed on-time decreased to 38% in Q2. In Q3, on-time completions increased to 60%. By Q4, NBC had increased the percent of appraisals completed on time to 63%. However, the NBC never reached the SLA goal of 90% on-time completions in FY07. Overall in FY07, 51% of appraisals were completed on-time.

Figure 2.3.4 – Percent of Appraisals Completed On-Time by Quarter in FY07
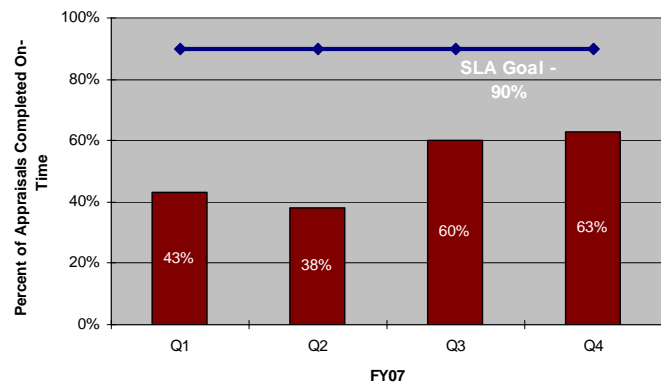
There are several factors affecting the timely completion of appraisals including but not limited to contracting delays, understaffed regions, and untimely updating of the ARRTS system.

More easily alleviated than understaffed regions, the appraisals may be completed on time, but this data is not reflected in the AARTS system. As noted in above indicators, an appraisal may be completed, but is not reported as complete until the appraiser records project completion in the AARTS system. Appraisal has recently taken steps to emphasize the importance of timely reporting to its employees and contractors. The LOB anticipates, as reflected towards the end of FY07, that the percent of appraisals completed on-time will increase significantly in FY08.

Figure 2.3.5 – Percent of SLA Metrics Met by Quarter in FY07

Figure 2.3.5 represents the percent of SLA metrics met by quarter in FY07. In Q1, Appraisal Services met 60% of its SLA goals. The percent decreased to 50% in Q2, followed by an increase to 71% in Q3. In Q4, appraisal met 69% of its SLA metrics. Overall in FY07, Appraisal Services met 63% of its SLA metrics.
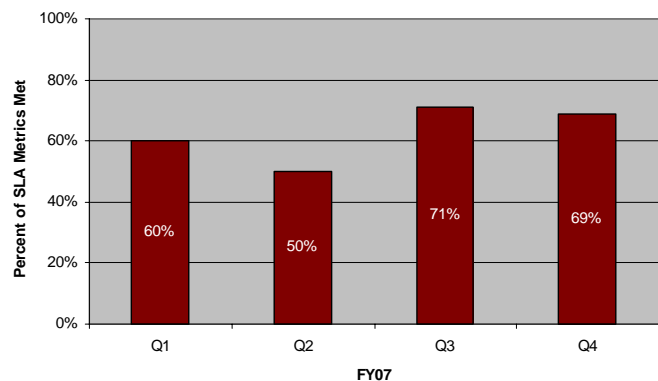
Two metrics consistently not met throughout FY07 dealt with timely completion of projects. Appraisal Services addressed two specific issues which resulted in these goals not being met. Firstly, as noted above, Appraisal Services experienced decreased staff levels, specifically in the Northeast region. Secondly, appraisers did not update the database on-time once an appraisal had been completed, resulting in inaccurate completion data from Appraisal's system AARTS. In order to alleviate the noted data quality issue, Appraisal has taken steps to emphasize the importance of timely reporting. Additionally, in FY08, NBC is revisiting the SLA metrics for Appraisal Services in order to more accurately reflect performance for this LOB.

The more significant dip in the percent of SLAs met in Q2 was because Appraisal Services did not meet the metric of initiating 90% of AARTS appraisal requests within thirty days. Anecdotal evidence suggests that this goal would have been met; however, one customer submitted a large amount of revenue sharing appraisal requests without funding. Without this anomaly, Appraisal Services would have initiated 97% of AARTS requests within thirty days. These requests are recorded in AARTS in the beginning of the year and, unlike other requests which are initiated within thirty days, are initiated periodically throughout the year as funding is provided by the customer. This led to only 84% of AARTS appraisal requests initiated within thirty days during Q2.

Appraisal LOB Summary

In conclusion, the Appraisal LOB provides an array of appraisal-related services including General Appraisal Services, Appraisal Review Services, Valuation Program Management Services, Appraisal Consulting, and Concession Valuation Services for numerous Federal customers. In FY07, they received thousands of appraisal requests, evenly spread over Q1 through Q3, then with a steep increase in Q4 due to the ability to more easily appraise properties during the summer months of Q4 (July, August, and September). This same trend holds true for much of Appraisal's performance including the dollar value of all appraisals and the average value of land appraisals.

In regards to their productivity, Appraisals noted some areas for improvement during FY07 with respect to the percent of appraisals completed on time. The LOB did not meet their goal rate of 90% due to contracting delays, understaffed regions, and untimely updating of the ARRTS system. However, Appraisal Services has recently taken steps to improve these areas for FY08 and subsequently increase their ability to complete appraisals in a timely manner.

2.4   ADMINISTRATIVE OPERATIONS LINE OF BUSINESS

Services Provided by Administration Operations

The NBC's Administrative Operations LOB provides a wide array of services, consolidating previously independent LOBs: Creative Communication Services, Employee Services, Facilities Management, Property and Asset Management Services, and Drug and Alcohol Testing. As the leading provider of these services, Administrative Operations LOB is the backbone of support for the DOI and specifically for the DOI's Main Interior Building (MIB).

NBC's Administrative Operations Directorate, in coordination with GSA, manages the modernization project at the Main Interior Building (MIB). The primary purpose of the MIB renovation is to improve the quality of life and ensure optimum habitability for all Department of the Interior (DOI) occupants.

Each of the Administrative Operation LOB service offerings is designed to support customer needs while allowing customers to focus on their core mission. A summary description of each service is provided in Figure 2.4.0.

Figure 2.4.0: Administrative Operations LOB Service Offerings

Service Offerings	Service Offering Description
Creative Communication Services	Includes support for the Business Center (Printing, Graphics, etc.), and Photographic Services.
Employee Services	Includes support for Physical and Personnel Security Management, Health Unit Operations, Special Events, Passports and Visa Issuing, and the Federal Executive Board of MN.
Facilities Management	Includes support for Core Building Operations, Physical Security, Parking and Ride Sharing, Occupant Emergency Planning, Moving Services, Building Modernization, Workplace Safety and Health, Alterations, Shipping and Receiving, Flags and Seals, Maintenance/Custodial, Transportation Subsidy Program, and Mail and Messenger Services (to include policy responsibility).
Property and Asset Management Services	Includes support for Personal Property Management Services, Fleet Management Services, and Space Management (Real Property).
Drug and Alcohol Testing	This service includes the collection of specimens in accordance with Health and Human Services and Department of Transportation regulations. Collections can be performed by in-house or contractor personnel. This service also includes lab analysis, during which specimens are in a certified laboratory.

In order to demonstrate their capabilities to customers and achieve goals of streamlining business processes to increase efficiency of service delivery, Administrative Operations Services collects and utilizes performance metrics that demonstrate their capabilities in providing world-class business support.

Administrative Operations LOB Performance Analysis

In this report, the following indicators and analyses are presented for Administrative Operations:

- Number of Drug Collections Performed by Quarter in FY07

- Percent of Accuracy of Drug Tests Performed by Quarter in FY07

- Percent of Lab Results Available On-Time by Quarter in FY07

- Average Number of Days to Receive Lab Results by Quarter in FY07

- Number of Routine Building Maintenance Facilities Requests by Quarter in FY07

- Percent of Routine Building Maintenance Facilities Requests Responded to On-Time by Quarter in FY07

- Number of Transit Subsidy Requests by Quarter in FY07

- Number of SmartBenefits and Metro Check Enrollments in FY07

- Number of Special Events Hosted by Quarter in FY07

- Percent of SLA Metrics Met by Quarter in FY07

Since Admin Ops provides a wider array of services as compared to the other NBC LOBs, the performance measures assessed for this report provide a greater variety of the type of data assessed. For example, drug testing is one of Admin Ops' largest services. They control 90% of the drug testing market for the Federal Government. As a result, they have become the "best practice" for this service, consistently maintaining strong performance results in the number of drug collections, the accuracy of these tests, and the ability to complete all test results on time nearly 100% of the time.

One of Admin Ops' other larger services encompasses transit subsidies, Metro Checks, and SmartBenefits. In FY07, the NBC began moving away from issuing Metro Checks, towards the replacement program – SmartBenefits which is less susceptible to abuse. NBC began taking enrollments applications for SmartBenefits as of October 1, 2007 (the start of FY08), thus no actual FY07 data exists for this measure. Greater details surrounding the transit subsidy program, as well as measures for the drug testing program, are presented in the sections below.

Figure 2.4.1 – Number of Drug Collections Performed by Quarter in FY07

Figure 2.4.1 represents the number of drug collections performed by quarter in FY07. In Q1, NBC completed 21,023 drug collections. There was an increase of 19% in Q2 with 25,090 collections. Similarly, Q3 had an increase of 15%, with 28,833 collections performed. In Q4, the increasing trend tapered off, and with a 1% increase, NBC performed 29,206 collections. In FY07 there was a total of 104,152 drug collections performed.

The slightly increasing trend throughout FY07 is attributed to the CRA enacted in Q1. Customers were less willing to sign customer agreements with limited funds. After the CRA was lifted in Q2, more customer agreements were signed, resulting in an increase in the number of collections performed during the remainder of FY07.
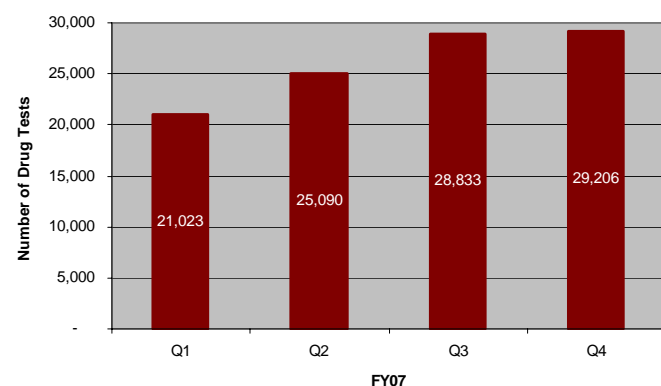
Figure 2.4.2 – Percent Accuracy of Drug Tests Performed by Quarter FY07

Figure 2.4.2 represents the percent accuracy of tests performed by quarter in FY07. The accuracy of drug tests is determined by the number of false positives reported per the number of drug tests performed. Of the approximately 100,000 drug tests performed in FY07, Admin Ops reported zero false positives. To ensure customer satisfaction and drug test accuracy, NBC uses a quality drug testing lab and maintains strict control over the chain of custody of the specimen.

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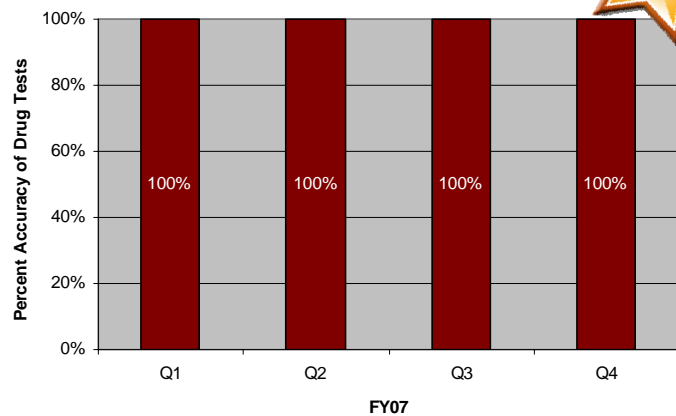
Figure 2.4.3 – Percent of Lab Results Available On-Time

Figure 2.4.3 represents the percent of lab results that were available on-time (within five business days) by quarter in FY07. The NBC exceeded the SLA goal of 95% of lab results available on time, and throughout FY07 reported lab results within five business days. In FY08, Administrative Operations will consider revising this SLA goal, reflecting the high level of service provided in FY07.
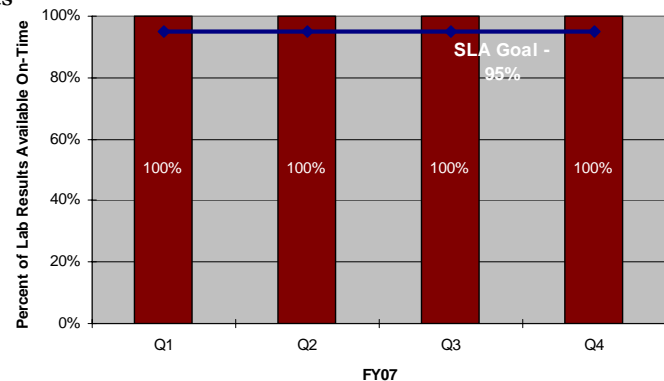
Figure 2.4.4 – Average Number of Days to Receive Lab Results

Figure 2.4.4 represents the average number of days it took to receive lab results by quarter in FY07. Administrative Operations' goal for receiving drug test results was five days during FY07 and they exceeded this goal by more than half for every quarter. At the time the five-day SLA baseline goal was implemented, there was no baseline for comparison. Based on current performance data, Admin Ops has indicated they will be adjusting their SLA target to receive lab results within three days in FY08.
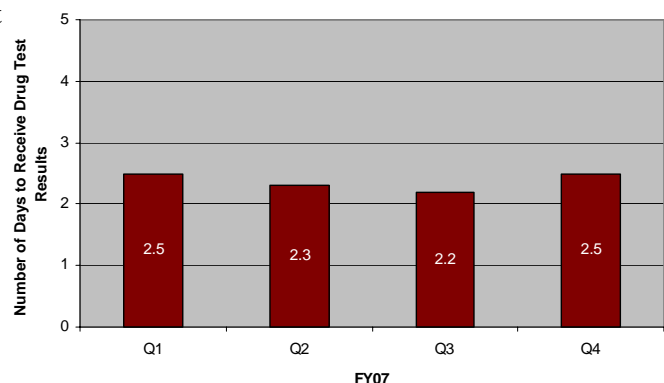
Figure 2.4.5 – Number of Routine Building Maintenance Facilities Requests by Quarter in FY07

Figure 2.4.5 represents the number of routine building maintenance facilities requests by quarter in FY07. This indicator encompasses requests issued in the DC, Reston, and Denver offices. Facilities requests include items such as preventative maintenance, furniture relocation, heating and air conditioning maintenance, picture hanging, insect extermination, and management and control of hazardous materials.

In Q1, NBC responded to 1,554 requests. There was an increase of 17% in Q2, with 1,817 requests. In Q3, the number of requests decreased by 13% to 1,586. Q4 ended the year with an increase of 5%, with 1,663 requests. In FY07, there were a total of 6,620 building maintenance facilities requests. Administrative Operations receives regular and steady requests for building facilities support. The increase in Q2 can be explained by a regularly occurring seasonal trend. During the winter months there tend to be more heat related issues, and therefore, an increase of requests for maintenance assistance.
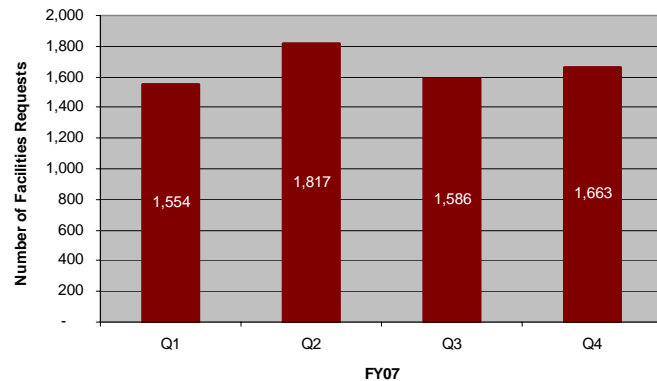
Figure 2.4.6 – Percent of Routine Building Maintenance Facilities Requests Responded to On-Time by Quarter in FY07

Figure 2.4.6 represents the percent of routine building maintenance facilities requests responded to on-time (within two days) by quarter in FY07. The percent of requests responded to on-time stayed fairly stable, and close to 99% throughout FY07. There was a slight dip, to 98.67% in Q2. This was attributed to the corresponding increase in the number of requests during this period.

In FY06, Administrative Operations started the year with only 85% of requests responded to on-time. The SLA goal for Administrative Operations in FY07 was to increase the percent of requests responded to within two days by 5%. Efforts to improve efficiency have led to higher percent of requests responded to on-time in FY07. On average, Administrative Operations exceeded the goal of a 5% increase in response rates, and responded to 99% of facilities requests within two days. In FY08, Administrative Operations will consider creating a new SLA goal for this metric in order to baseline performance in future years.
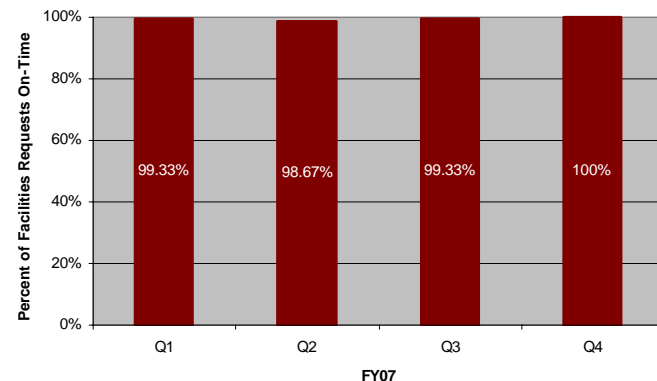
**Figure 2.4.7 – Number of Transit Subsidy Requests by Quarter in FY07**

Figure 2.4.7 represents the number of transit subsidy requests by quarter in FY07. NBC manages the transit subsidy requests for the Office of the Secretary of DOI and all of the NBC. Transit subsidy requests include requests for new enrollments, de-enrollments, information changes, and increase or decreases in expenses for subsidies. In Q1, Administrative Operations received forty-five transit subsidy requests. In Q2, there was an increase of 13% and Administrative Operations received fifty-one requests. There was a similar increase, of 18% in Q3, with sixty transit subsidy requests. There was a 27% decrease in Q4, and Administrative Operations received forty-four requests. Overall in FY07, Administrative Operations received 200 transit subsidy requests.
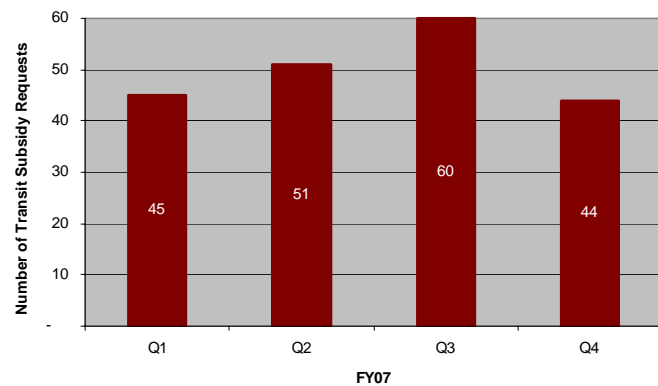
During Q3, Administrative Operations encouraged customers to apply to the SmartBenefits program. Generally, customers receive transit subsidies in the form of Metro Checks. During FY07 the Office of the Inspector General conducted a government wide review of the transit subsidy program as a result of abuse (rule violations, such as cashing in or selling) of Metro Checks. In an attempt to alleviate abuse, Administrative Operations proactively began a program to implement as many participants as possible in the SmartBenefits program. With SmartBenefits, there is less potential for abuse because the subsidy is placed on a secure, non-transferable card which can only be used for transportation purposes in the DC metropolitan area. The push in Q3 for participants to apply to the SmartBenefits program resulted in higher requests, or applications, during this period.

Figure 2.4.8 – Number of SmartBenefits and Metro Check Enrollments as of Q1 FY08

Figure 2.4.8 represents the number of DOI employees in the Washington Metropolitan Area (WMA) enrolled in the SmartBenefit and Metro Check programs as of the close of Q1 FY08. There was a total of 2,395 DOI employees in the WMA enrolled in the transit subsidy program as of the close of Q1. Of the total enrollees, 54% or 1,295 employees, were enrolled in SmartBenefits. There was a total of 1,100 employees, or 46% of the total, enrolled in the Metro Check program.
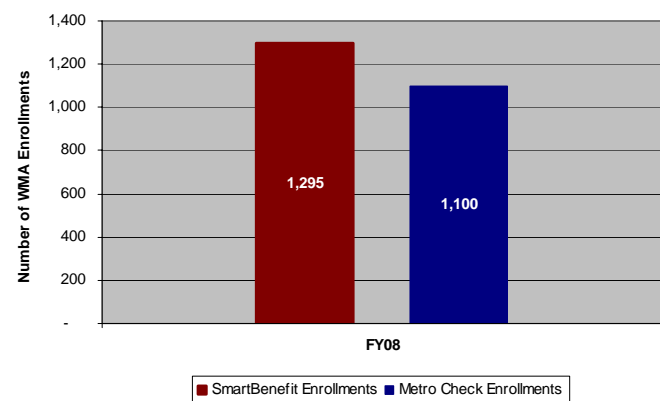
Administrative Operations anticipates that as FY08 continues, the number of Metro Check enrollments will decrease and the nubmer of SmartBenefit enrollments will increase. As noted in Figure 2.4.7, NBC has made an effort to enroll more employees in the SmartBenefits program to alleviate abuse of the transit subsidy program. In order to further this effort, during FY07 Administrative Operations hosted two all employee meetings and developed new enrollment forms, policies, and procedures.

Figure 2.4.9 – Number of Special Events Hosted by Quarter in FY07

Figure 2.4.9 represents the number of special events hosted by quarter in FY07. Special Events Services provides scheduling and planning for NBC-controlled conference rooms and auditoriums in the DOI complex. In Q1, Administrative Operations hosted eighty-nine special events. There was an increase of 12% in Q2 and Administrative Operations hosted 100 special events. In Q3 there was a 132% increase and Administrative Operations hosted 232 special events. There was a slight decrease, of 16%, in Q4 to 194 special events hosted. Overall in FY07, Administrative Operations hosted 615 special events.
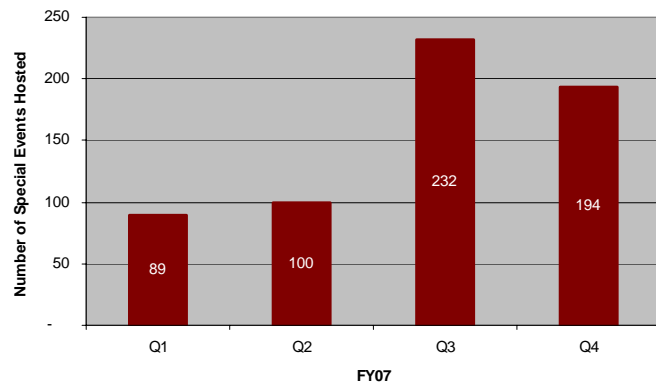
The number of special events hosted is dependant upon customer demand. During the summer months in Q3, the demand for special events is higher because events can be hosted outdoors (DOI rooftop and courtyards) in addition to the auditoriums and conference rooms.

Figure 2.4.10 – Percent of SLA Metrics Met by Quarter in FY07

Figure 2.4.10 represents the percent of SLA metrics met by quarter in FY07. Admin Ops steadily met 100% of their SLA metrics until Q4, when the percent met decreased to 95%. This decrease in the percent of SLA metrics met in the Q4 was because Admin Ops did not meet the goal to issue passports within two weeks.

In FY07, Federal passport regulations increased, resulting in a higher number of passports requested. The increase in workload coupled with a decrease in passport staff resulted in the incomplete metrics goal. In FY08, Admin Ops plans to augment its staff for this program. Additionally, NBC will continue to review the SLA metric goals for Admin Operations in FY08, in order to most accurately reflect performance of this LOB.
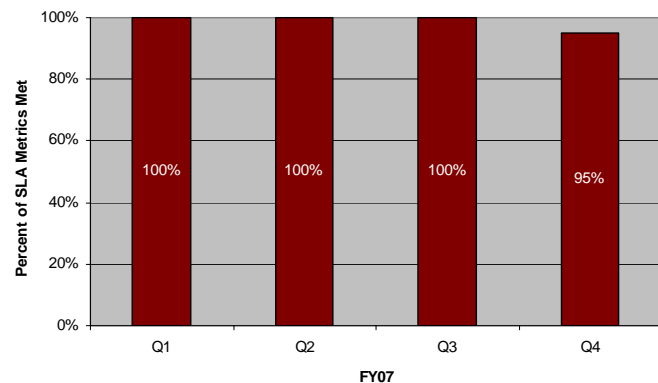
Administrative Operations LOB Summary

In conclusion, the Administrative Operations LOB provides an extremely wide array of administrative-related services, however for purposes of this FY07 OPR, only the performance of their drug testing, transit subsidy, and facilities management programs were assessed.

Admin Ops is the leading provider of drug testing services for the Federal government and thus is well positioned to continue to grow its customer base (currently at 90% of the total market). During FY07, Admin Ops administered more than 100,000 drug tests, and had a 100% rating for the accuracy of those tests as well as a 100% rating for the ability to provide the results on time. In fact, Admin Ops was able to provide drug testing results in half the time of their stated goal.

In addition to drug testing, Admin Ops manages the transit subsidy program and saw a steady increase in enrollments over the course of FY07, including substantial growth in the number of SmartBenefits enrollments.

As for their facilities management, Admin Ops arranges special events for DOI and other Federal agencies and noted steep increases in requests for special events support during Q3 and Q4 of FY07 mostly due to warmer weather and the ability to hold more special events in outdoor venues.

Finally, Admin Ops did an excellent job overall in FY07 in meeting its goal for the percent of SLA metrics achieved.

2.5   AVIATION MANAGEMENT LINE OF BUSINESS

Services Provided by Aviation Management

Aviation Management Directorate's primary goals are "...to raise the safety standards, increase the efficiency, and promote the economical operation of aircraft activities in the Department of the Interior.".

The Aviation LOB provides aviation policy for aviation safety management and aircraft accident prevention oversight to the bureaus in the direct support of all DOI aviation activities. The core goal is to ensure the safety of aviation activities and prevent all aviation accidents, both within the DOI as well as within additional Federal and non-Federal agency customers. To do so, Aviation Services must provide the safety management oversight and appropriate resources to meet the missions of each customer in the most safe and efficient manner available.

Each of the Aviation Management LOB service offerings is described in Figure 2.5.0.

Figure 2.5.0: Aviation LOB Service Offerings

Service Offerings	Service Offering Description
Aviation Safety Services	Develop and maintain mishap prevention programs that provide implementation guidelines, goals, and safety performance metrics for the program. For example, publications and policy (DMs, OPMs, Handbooks, Guides, Safety Alerts, Aircraft Accident Prevention Bulletins and hazard reporting (Safecom).
	Conduct on-site investigations, gather factual information, conduct technical laboratory examination and analysis, and develop causal and contributing factors, write final mishap reports and distribute. Conduct analysis and identify trends, develop recommendations for prevention.
	Conduct on-site visits to review overall aviation program. Analyze policy and procedures to assess any deficiencies. Create a report to document deficiencies and provide recommendations. Conduct a follow-up evaluation one year later to determine progress, during which if no progress has been made, a report to document a material weakness is provided.
Aviation Program Management Services	Provide ground school and flight training for DOI Bureau pilots.
	Provide Fleet aircraft airworthiness inspections and maintenance. Inspect private sector maintenance vendors who are accomplishing maintenance on DOI Fleet aircraft.
	Inspection, approval, management and oversight of DOI Pilots and Fleet Aircraft to include civil maintenance facilities providing support to DOI Fleet Aircraft.
	Provide aviation fuels facility inspection. Conduct fuels sources inspection to ensure equipment and fuel quality meet appropriate standards.

Service Offerings	Service Offering Description
Aviation Safety Training	Online Training offers web-based instructional courses to provide customers an opportunity to fulfill required aviation-related training from their own desktop. Instructor-Led Training provides in-class training and expertise in aviation and accident prevention policy, procedures and best safe operating practices. Training ranges from elementary safety through technical programs such as transportation of freight, hazardous materials, rappelling, helitorch, and aviation management courses. Instructor Certification Training provides initial training and certification of bureau/agency employees to become instructors in the Interagency Aviation Training curriculum. The Aviation Centered Education (ACE) program is a week-long training conference providing bureau employees all required aviation safety training at one location. To accomplish these requirements, twenty-four different training classes are conducted at each ACE, providing employees the flexibility to attend only those classes that are relevant or required for their specific aviation position or duties.
Aviation Flight Services Support	Offer pre-use procurement, inspection/carding and approval of commercial aircraft services (CAS) for immediate dispatch of quality, economical and efficient aviation resources to meet emergency as well as routine needs of customers. Provide customers with requested technical specifications relating to capabilities and limitations of various aviation resources. Offer procurement planning specific to customer mission requirements.
Aviation Needs Assessment Service	Conduct an internal review of Agency aviation activities to include an analysis of flight operations activities for efficient and economical use of aviation resources. Includes support in policy development, technical specifications and core competencies identification, essential education and training needs, and identification of procurement options and financial services available. Review aviation safety program management, mishap notification procedures, investigation techniques, and reporting procedures orienting to implementation of sound mishap prevention measures. Recommend alternative resources of aviation asset procurement.
Aviation Policy Support	Works collaboratively with all stakeholders to provide advice to leadership and to develop necessary aviation policies to ensure safe, effective and economical operation of aircraft in support of agency missions. Leverages electronic and web-based media to quickly and effectively disseminate new and/or updated aviation policies. Provides periodic on-site aviation program reviews to assess the effectiveness of aviation policy implementation. Develops program evaluation reports with recommended actions that build on lessons learned and best practices obtained from other program reviews. Works with customer to develop corrective action plans and milestones and provides follow-up reviews to confirm adoption of corrective actions.

The strategic direction of Aviation Services is to ensure the stability and continuity and where appropriate, raise the aviation safety standards, increase efficiency, promote the economical operation of aviation activities and utilize economies of scale to provide the most efficient and economical aviation services possible for internal and external customers. It is important to highlight that similarly to Appraisal Services, Aviation provides policy development and oversight as well as customer support. Occasionally these two goals are conflicting. However, Aviation Services strives to provide excellent customer service and constantly looks for areas of improvement in performance.

Aviation Management LOB Performance Analysis

In this report, the following indicators and analyses are presented for Aviation:

- Number of Aircraft Inspections by Quarter in FY07
- Number of Flight Hours and Number of Aircraft Accidents by Quarter in FY07
- Percent of Aircraft Inspections performed On-Time by Quarter in FY07
- Number of Module Credit Hours Completed for Instructor Led Programs by Quarter in FY07
- Number of Online Modules Completed by Quarter in FY07
- Percent of SLA Metrics Met by Quarter in FY07

Much like the Appraisal Services LOB, Aviation experiences seasonal fluctuations that impact its performance data. Particularly in Q3, which spans April, May, and June, Aviation Management prepares for the fire season which typically occurs during Q4 in the Western states. As a result, steady increases in the number of aircraft inspections occur up through Q3, and then the most number of accidents occur during Q4 as a result of more aircraft being deployed to fight dangerous wildfires. Similarly, the number of online and instructor courses taken sees a gradual increase through Q3, then a drop in Q4, as the majority of Aviation's efforts are focused on the wildfire season. Greater analyses for these indicators and detail for SLA metrics met are in the following sections.

Figure 2.5.1 – Number of Aircraft Inspections by Quarter in FY07

Figure 2.5.1 represents the number of aircraft inspections by quarter in FY07. The number of inspections pertains to all types of aircraft flown by Aviation's customers: fleet, vendor, and co-operator aircraft. Aircraft are inspected at least once annually to ensure that they are ready for flight missions. In Q1, Aviation inspected 356 aircraft. There was an increase in Q2 of 104%, with a total of 726 inspections. The number of inspections jumped again in Q3 by 31%, equaling a total of 954 inspections. With a decrease of 54% in Q4, Aviation completed 439 inspections. Overall for FY07, Aviation completed 2,477 inspections.
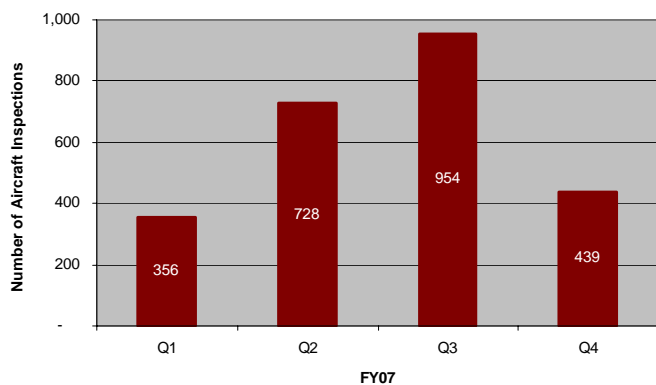
The increasing trend of aircraft inspections throughout the year is attributed to the fire season, which occurs during the summer. Many of Aviation's customers use more flight hours during this season in order to fight forest fires. In anticipation of, and during the initiation of this time of year, Aviation inspects more aircraft. In Q4, which is during the thick of fire season, fewer inspections occur, as the aircraft have already been prepared for their missions.

Figure 2.5.2 – Number of Flight Hours and Number of Aircraft Accidents by Quarter in FY07

Figure 2.5.2 represents the number of flight hours and the number of aircraft accidents reported by quarter in FY07. Aviation only responds to aircraft accidents occurring for DOI flight hours. Therefore, for purposes of this indicator, the number of flight hours reported includes only flight hours for Aviation's DOI customers.

The number of accidents remained at zero accidents per quarter until Q4, in which there were four aircraft accidents reported. The number of flight hours, displayed a similar trend with an increase in Q4. The number of flight hours in Q1 was 15,266 and decreased by 49% to 7,769 in Q2. In Q3, the number of flight hours increased by 91% to 14,855. In Q4 there was a significant jump of 179% to 41,478 flight hours.

The number of flight hours shows a seasonal trend. There is a decrease in Q2, during the winter months. During the fire season, or Q4, Aviation sees a drastic increase in the number of flight hours. Not only is the rate of accidents increased as the number of flight hours increases, but also the flight missions which occur during the fire season have greater risk, hence the large increase in the number of accidents.
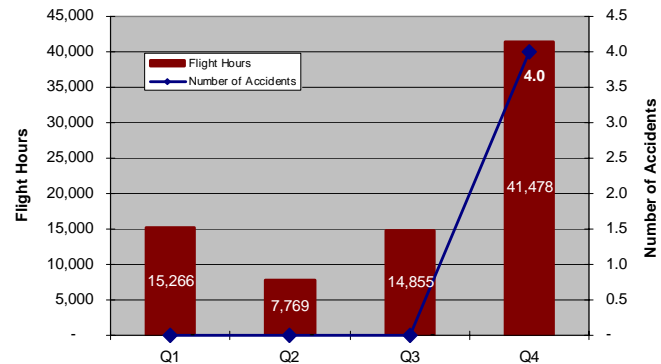
Figure 2.5.3 – Percent of Aircraft Inspections Performed On-Time by Quarter in

Figure 2.5.3 represents the percent of aircraft inspections performed at least seventy-two hours prior to the aircraft reporting date by quarter in FY07. Timely inspection of aircraft is necessary to prevent delays in the ability of the aircraft to report for a mission. The seventy-two hour requirement acts as a buffer zone, as Aviation is able to better ensure that an aircraft will be available if inspections are complete. During all quarters in FY07, Aviation performed over 99% of inspections on-time.
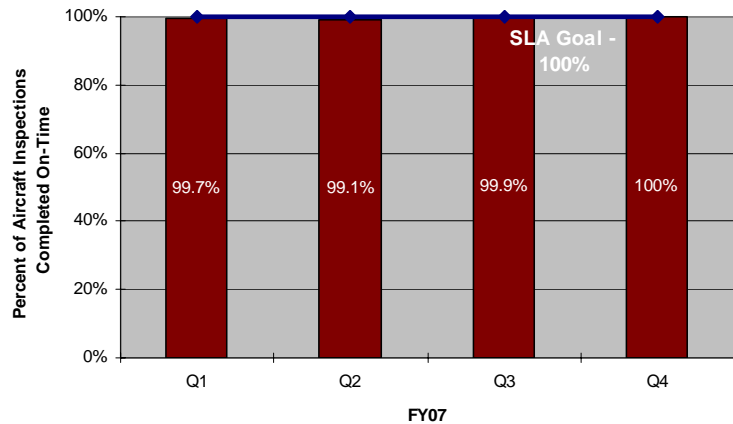
Figure 2.5.4 – Number of Module Credit Hours Completed for Instructor Led Programs by Quarter in FY07

Figure 2.5.4 represents the number of module credit hours completed for instructor led programs by quarter in FY07. Instructor led programs includes all classroom training held by the Aviation LOB, including training conducted at ACE Seminars. This training is provided specifically for certification regarding Aviation Safety. One of Aviation's goals is to raise the safety standards of aircraft activities within the DOI. Aviation safety training requirements are different for each employee position and courses are required to be repeated for re-certification every 1-3 years

depending on the course. A module or course may consist of varying credit hours depending on the length of a course; therefore for purposes of this indicator, the number of module credit hours is reported rather than the number of courses.
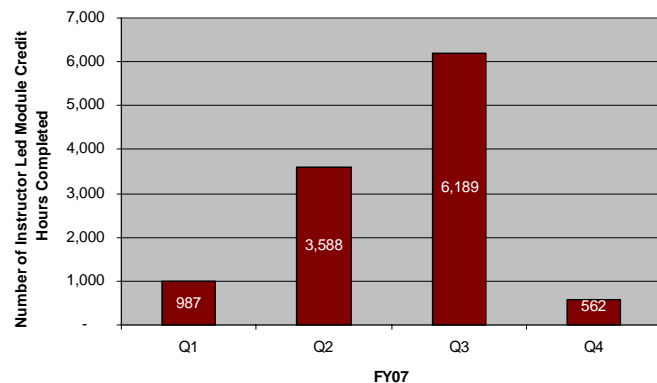
In Q1, there were 987 module credit hours completed. In Q2 and Q3, there were significant increases of 264% and 72%, respectively. In Q2, there were 3,588 module credit hours completed, and in Q3, there were 6,189 module credit hours completed. In Q4, the number of completed module credit hours decreased significantly by 91% to 562 courses. Overall in FY07, Aviation customers completed 11,326 module credit hours.

Similar to the number of aircraft inspections, the increasing and subsequent drastic decrease in the number of module credit hours completed can be attributed to seasonal factors. Seasonal employees brought on to help during the fire season must be trained prior to deployment in order to perform their functions. During Q4 (fire season), most employees are in the field and are no longer in need of training.

Figure 2.5.5 – Number of Online Modules Completed by Quarter in FY07

Figure 2.5.5 represents the number of courses completed for online programs by quarter in FY07. Aviation is unable to collect the number of credit hours for online courses due to the variation in time for each person to complete one online course.
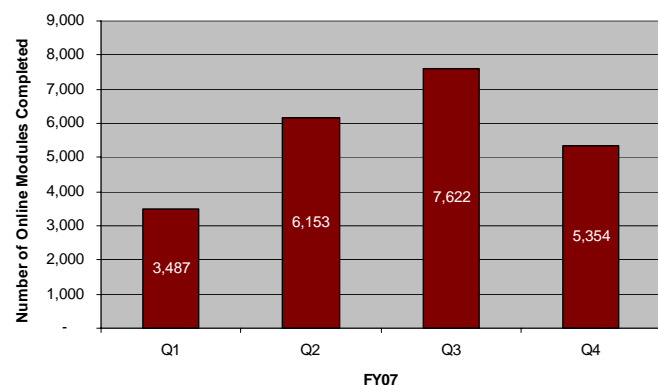
In Q1, customers completed 3,487 courses. With an increase of 76%, the number of courses completed in Q2 increased to 6,153. There was another increase in Q3 of 24%, resulting in 7,622 courses completed. In Q4, the number of courses completed decreased by 30%, with 5,354 courses completed. The increasing and then subsequent decreasing trend can be explained by the fact that

seasonal employees take more training to prepare for the fire season, and during fire season, the number of trainings completed decreases.

Figure 2.5.6 – Percent of SLA Metrics Met by Quarter in FY07

Figure 2.5.6 represents the percent of SLA metrics met by quarter in FY07. Aviation has four SLA metrics. The only metric not met in Q1 and Q2 was the ability for AMD to create issue resolution plans within twenty-four hours, thereby dissatisfying customers in this area. Issue resolution plans correspond to any issues which a customer may have had pertaining to Aviation Services and over all do not relate specifically to one service. This metric is determined by survey responses from Aviation customers.

For FY08, Aviation has taken steps to develop more tools and less complicated data collection, allowing for greater customer responses regarding satisfaction, and explanation as to the specific problem they encountered. This will allow for a more timely response from Aviation in the future.
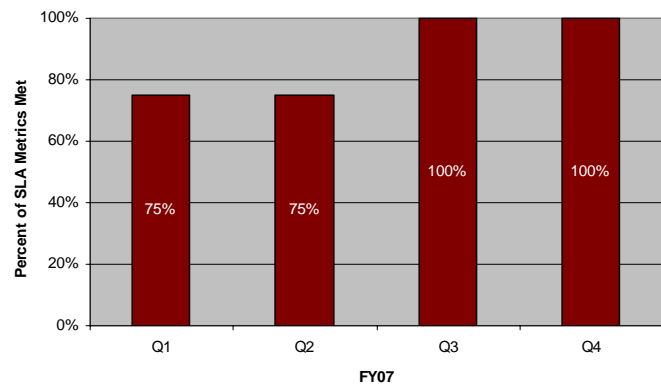
Aviation LOB Summary

In conclusion, the Aviation LOB provides both aviation policy, as well as aviation services for aviation safety management and aircraft accident prevention. The core goal is to maintain the safety of aviation activities and prevent all aviation accidents, for both Federal and non-Federal agency customers. In FY07, they handled thousands of aircraft inspections, averaging nearly a 100% on-time inspection rate. AMD also tracked hundreds of thousands of flight hours and the associated accident rates for those flight hours, seeing a spike in both flight hours and subsequently accidents during Q4 as a result of fire season.

Directly correlated to this trend, AMD provides safety training to pilots and saw steady enrollment and course completion during Q1 through Q3, then a large drop in Q4 as a result of pilots and aircraft needing to be deployed for fires during fire season.

Finally, during the first half of FY07, AMD noted some areas in need of improvement with respect to meeting its SLA commitment to issue resolution plans on-time, but the LOB made immediate procedural changes to remedy this and thus saw 100% SLA metric achievement for Q3 and Q4 as a result.

2.6 FINANCIAL MANAGEMENT SERVICES LINE OF BUSINESS

Services Provided by Financial Management

The Fiscal services group within the Financial Management Services Line of Business audits, certifies, and schedules vouchers for payment for client agencies. Focus by our expert staff is on the processing of payments on time and in accordance with the Prompt Payment Act to avoid the incidence of late interest

The Financial Management (FM) Services LOB provides its clients with an extensive set of financial services, specifically tailored to meet the diversity of Federal customer business and financial processes and needs. These services are organized into three key service offerings – Financial and Business Management Systems Support, Accounting Operations Services, and Web Application Development and Support.

A summary description of each service offering is provided in Figure 2.6.0.

Figure 2.6.0: Financial Management LOB Service Offerings

Service Offerings	Service Offering Description
Financial and Business Management Systems Support	Complete financial systems and services, including support for project management, systems migration, systems implementation, systems maintenance, change management, training, and help desk support. These systems and services comprise the following: • Two FSIO-compliant core financial systems are offered to customers – Oracle Federal Financials and Momentum. NBC also hosts DOI on the legacy Federal Financial System (FFS). • Financial Statement preparation system – Hyperion Consolidated Financial Statement system and the financial statement functionality / modules which are part of the oracle and momentum enterprise application suites. • Procurement – Interior Department Electronic Acquisition System, (IDEAS) for procurement processes. Including the electronic commerce website (EC) which provides the vendor community the opportunity to do business with participating Federal agencies in an electronic mode. • eTravel -– includes the three eTravel systems offered to Federal agencies under the Federal eTravel program interfaced to Oracle and Momentum. • Financial Reporting – includes the Oracle and Momentum Data Warehouse and Daily Business Intelligence enterprise applications. • Bankcard support – report distribution, training, interfaces, and charge card integration with Oracle and Momentum. • Property Management – includes the property modules which are part of the Oracle and Momentum enterprise applications suite as well as the Sunflower and Maximo applications with interfaces to the core financial systems for customers with more extensive property requirements. • Quarters – supports the billing, collection, and reporting of offsite housing costs which are provided to employees as part of their employment. • National Irrigation/Information Management System (NIIMS) - supports billing and collection for the Bureau of Indian Affairs' irrigation and power program.

Service Offerings	Service Offering Description
Accounting Operations Services	Full range of financial accounting and reporting services including the following: Accounts Payable • Debt Management • Accounts Receivable • Temporary Duty Travel Payment Processing • Relocation Services including payment processing • Financial Statement Preparation and analysis including audit support • General Accounting Support • Financial Reporting
Web Application Development and Support	Full range of web development and maintenance services including the following: • Web Application Development – includes project management, system analysis, and design with an emphasis on functional and security requirements, source code development, system testing, quality assurance, and implementation and post production support • Web Design and Implementation – includes design and implementation of new websites and web pages, posting new or updated content provided by the information owner, and performing routine website maintenance including monitoring of orphan files and dead links • Web Application and Website Hosting – includes administration, operation, and maintenance of an application, including application hosting, on-line and off-line storage, operating system backups, system security, printing capability, installation of approved and funded software fixes, technical analysis, physical and systems security, firewall security, use of intrusion detection software, administration of all software on the server, monitoring of feedback messages received from the Web site, and backup and disaster recovery.

In giving customers such a broad choice of services, the FM Services LOB is able to offer a comprehensive financial system package, and ensures that proper internal controls are established and adhered to. A goal for FM Services LOB is to reduce per unit costs for customer in order to achieve the "best value" level as customers are migrated from legacy solutions.

Financial Management Services LOB Performance Analysis

In this report, the following indicators and analyses are presented for Financial Management Services:

- Number of Vendor Payments Processed by Quarter in FY07

- Percent of Federal Vendor Payments Processed On-Time by Quarter in FY07

- Percent of Non-Federal Vendor Payments Processed On-Time by Quarter in FY07

- Number of Temporary Duty (TDY) Payments Processed by Quarter in FY07

- Number of Permanent Change of Station (PCS) Payments Processed by Quarter in FY07

- Percent of Payment Transactions paid by EFT by Quarter in FY07

- Amount of Interest Paid on Late Payments by Quarter in FY07

- Number of Eligible Debt Referrals by Quarter in FY07

- Value of Debt Referrals by Quarter in FY07

- Number of Helpdesk Tickets by Quarter in FY07

- Percent of time FM System is Available to Users by Quarter in FY07

- Percent of SLA Metrics Met by Quarter in FY07

For FY07, the Financial Management Services LOB reported numerous measures and metrics for a wide array of services. A subset of these services was selected for this report, as seen by the OPIs above. In general, FM reported excellent performance figures in regards to its percent of SLA metrics met, as well as its customer satisfaction ratings. For the remainder of the measures detailed in this report, FM reported fairly consistent and stable metrics across all quarters, with the exception of late payments and debt referrals. Positive change occurred in these areas as a result of FM's improvements in internal controls and processes during FY07. Greater detail and analysis to support these FM measures, as well as the SLA metrics and customer satisfaction ratings, can be found in the following sections.

Figure 2.6.1 – Number of Vendor Payments Processed by Quarter in FY07

Figure 2.6.1 represents the total number of vendor payments processed by quarter in FY07. In Q1, FM processed 65,789 payments. The number of payments processed increased, by 8%, to 70,815 in Q2. In Q3 there was a slight increase, totaling 70,956 payments processed. There was a 1% increase in Q4 to 71,777 payments. The total number of payments processed for FY07 was 279,337 payments.

The number of vendor payments processed is dependent upon customer needs. The lower number of vendor payments processed in Q1 was attributed to the CRA enacted during that time. Agencies were restricted to incremental funding, resulting in fewer new contracts, thus fewer vendor payments required. In Q2, Congress approved the budget and the CRA ended, resulting in the increase in vendor payments processed. The increase in Q4 is a historical trend, as Federal agencies increase spending towards the end of the fiscal year.
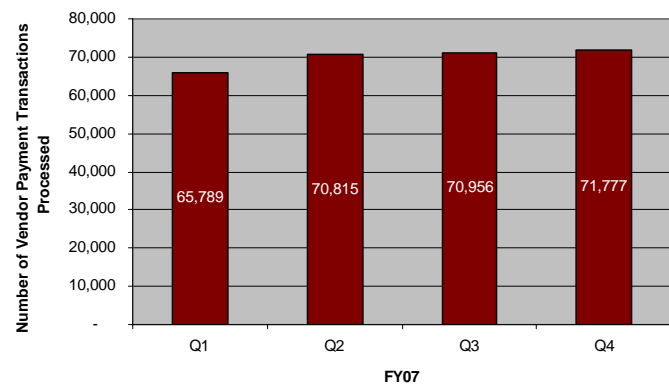
Figure 2.6.2 – Percent of Vendor Payments Processed On-Time (Federal) by Quarter in FY07

Figure 2.6.2 represents the percent of Federal vendor payments processed on-time (within ten business days) by quarter in FY07. In Q1, FM only processed 74% of Federal vendor payments on-time. This percent increased to 96% in Q2. In Q3 and Q4, FM met the SLA goal of 98% and processed 100% of vendor payments on-time.

FM went through an organizational change in FY07 to implement many processes including control enhancements. The outcome of these more efficient and effective processes can be seen by the increased percent of payments processed on-time throughout the year. During Q1, FM was still adjusting to the changes, resulting in a lower percent of Federal vendor payments processed on-time. By Q3 and Q4, FM improved its processes and met the SLA goal of 99% of payments processed on-time.
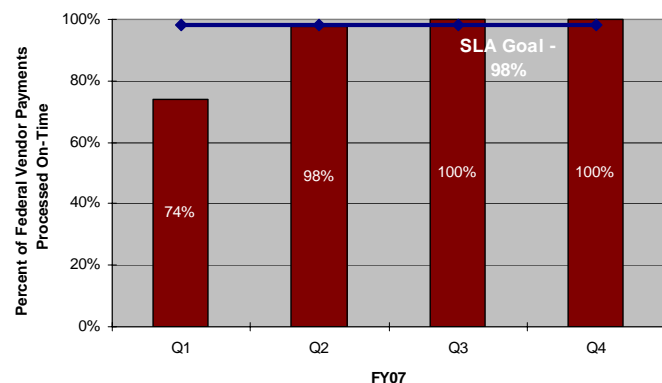
Figure 2.6.3 – Percent of Vendor Payments Processed On-Time (Non-Federal) by Quarter in FY07

Figure 2.6.3 represents the percent of non-Federal vendor payments processed on-time (within thirty days) by quarter in FY07. Payments to non-Federal vendors are required to be processed within thirty days under the Prompt Payment Act. During each quarter in FY07, FM met the SLA goal of 97% of vendor payments processed on-time.   In Q1, FM processed 98% of non-Federal vendor payments on-time. During Q2-Q4, the percent of non-Federal vendor payments which FM processed on-time remained at 99%.
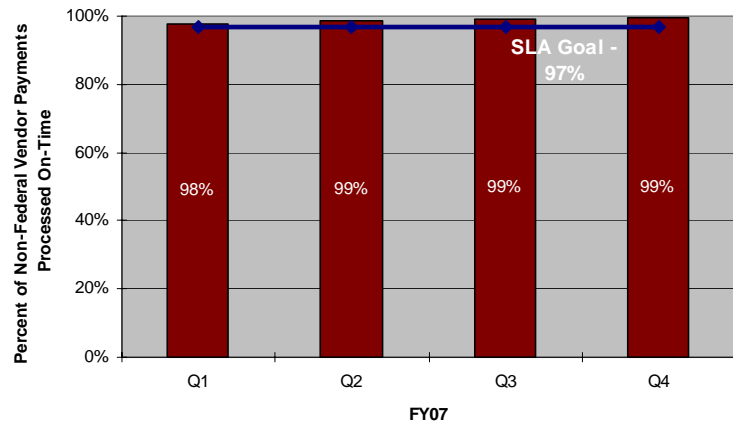
Figure 2.6.4 – Number of TDY Payments Processed by Quarter in FY07

Figure 2.6.4 represents the number of temporary duty (TDY) payments processed by quarter in FY07. FM offers travel payment processing for temporary duty. FM processed 25,815 payments in Q1. The number of payments processed decreased to 24,934 in Q2. In Q3 there was an increase of 28%, totaling 32,020 payments processed, and in Q4, there was a slight increase to 32,564. In total, FM processed 115,333 TDY payments in FY07.
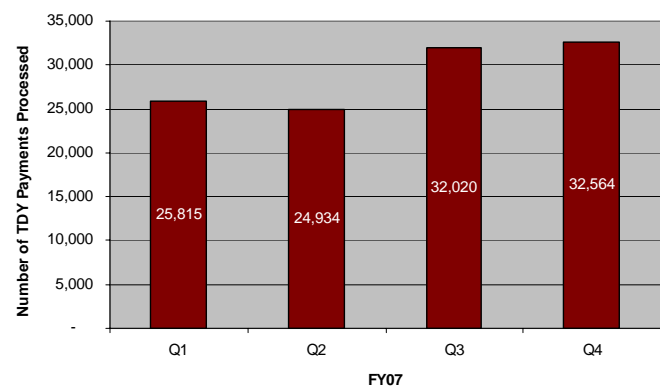
The increase in the number of TDY payments processed during Q3 and Q4 can be attributed to the increase of assignments within DOI during the summer months. DOI bureaus and employees participate in activities which take place outdoors, thus the amount of travel and travel payments increase during the warmer months of the year. Additionally, during the CRA in the beginning of FY07, travel restrictions were placed on many agencies. After Q2, the CRA was lifted and the amount of travel and travel payments increased.

Figure 2.6.5 – Number of PCS Payments Processed by Quarter in FY07

Figure 2.6.5 represents the number of permanent change of station (PCS) payments processed by quarter in FY07. FM processed 372 payments in Q1. The number of payments processed increased in both Q2 and Q3 to 460 and 555 payments respectively. In Q4 the number of payments increased, to 594 payments processed.   In total, FM processed 1,981 PCS payments in FY07.
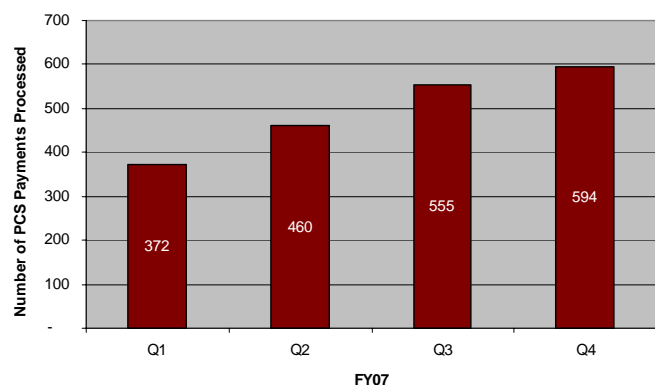
The increase in PCS payments processed throughout FY07 was attributed to seasonal factors. Employees tend to relocate during warmer seasons and towards the end of a fiscal year, resulting in the increase in the number of PCS payments during Q3 and Q4.

Figure 2.6.6 – Percent of Vendor, TDY, and PCS Payments paid by EFT by Quarter in FY07

Figure 2.6.6 represents the percent of vendor, TDY, and PCS payments paid by EFT by quarter in FY07. In Q1 FM paid 96% of payments by EFT. In Q2, the percent of EFT payments slightly decreased to 95.9%. In Q3 and Q4, the percent of payments paid by EFT increased to 96.7%. Overall in FY07 FM paid an average of 96.3% of payments by EFT.

The Treasury has a mandate that at least 97% of payments are made by EFT, as this is less costly for the NBC and its customers. A contributing factor as to why NBC did not meet the 97% requirement is that some customers do not have bank accounts and cannot make EFT payments for these customers.
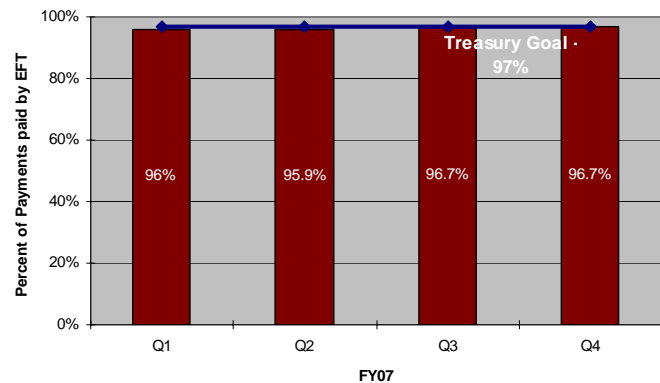
Figure 2.6.7 – Amount of Interest Paid on Late Payments by Quarter in FY07

Figure 2.6.7 represents the amount of interest paid on late payments by quarter in FY07. In Q1, FM paid $35,852 in interest on late payments. With a decrease of 44%, the amount of interest paid in Q2 was $20,086. In Q3 there was another decrease, of 24%, with $15,249 paid on late payments. In Q4, with a decrease of 26%, FM paid $11,260 of interest on late payments.

The decrease in the amount of interest paid on late payments can be attributed to FM's improvements in internal controls and processes during FY07. As

shown in Figure 2.6.4 – Percent of Vendor Payments Processed On-Time (Federal), FM only processed 74% of Federal vendor payments on-time in Q1, resulting in the higher amount of interest paid on late payments in Q1. As FM improved its new processes during the year, more payments were made on time, resulting in less interest paid on late payments.
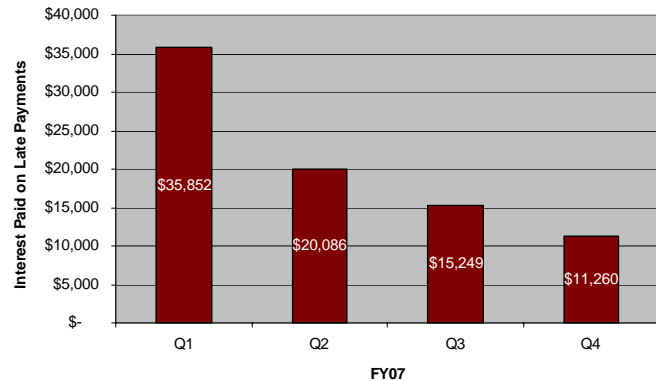
Figure 2.6.8 – Number of Eligible Debt Referrals by Quarter in FY07

Figure 2.6.8 represents the number of eligible debt referrals by quarter in FY07. FM assists clients with billing and collection of debt and refers eligible debt to the Treasury for collection. In Q1 there were 341 eligible debt referrals. In Q2 there was a large increase, of 244%, with 1,173 eligible debt referrals. The number of debt referrals decreased in Q3 and Q4, to 828 and 630 referrals respectively. In FY07, FM processed 2,972 eligible debt referrals.

The number of eligible debt referrals is dependent upon market conditions. The lower amount of debt referrals

in Q1 is because in the beginning of the year, agencies are slower processing billing and collections. Much focus is still on closing the books from the previous fiscal year. The significant increase in Q2 is because as agencies catch up their financial reports from Q1, the amount of billing and collection of debt increases.
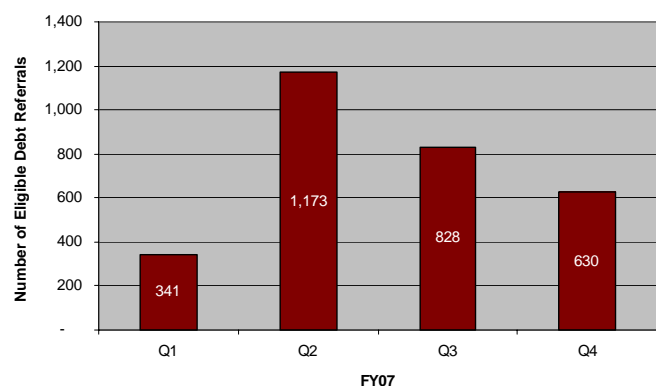
Figure 2.6.9 – Value of Debt Referrals by Quarter in FY07

Figure 2.6.9 represents the value of debt referrals by quarter in FY07. In Q1, FM processed $603K in debt referrals. Following a similar trend as the number of debt referrals, the value of debt referrals increased by 83% in Q2 to $1.1M. There was a decrease of 68% in Q3, to $359K in debt referrals, then an increase in Q4 to $439K. In FY07, FM processed a total of $2.5M in debt referrals.

The value of debt referrals is related to the number of debt referrals, shown above in Figure 2.6.8. Customers developed current financial reports during Q2, resulting in an influx of collection of debt from Q1 which had originally been delayed.
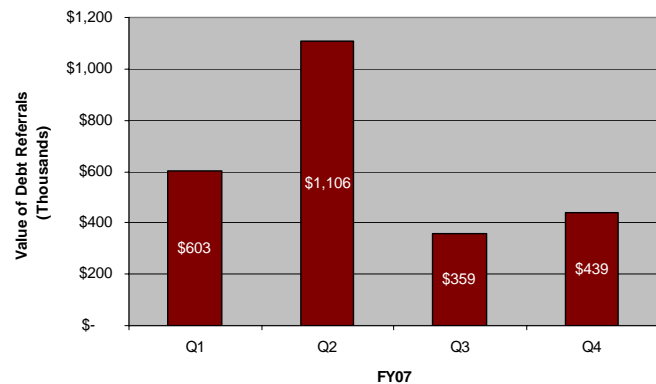
Figure 2.6.10 – Total Number of Helpdesk Tickets

Figure 2.6.10 represents the total number of all FM helpdesk tickets by quarter in FY07. The number of tickets includes all helpdesk calls for FM systems and customer inquiries. Helpdesk calls address many inquiries including document preparation and entry, technical and functional issues, interfaces, password resets, training, reports, table updates, client software, web server issues, and research.

In Q1 FM received 3,447 helpdesk tickets. The number of tickets increased, by 33%, to 4,568 tickets in Q2. There was a slight increase in Q3, to 4,728 tickets. With a 10% increase in Q4, FM received 5,217 helpdesk tickets. In FY07, FM received a total of 17,960 tickets.
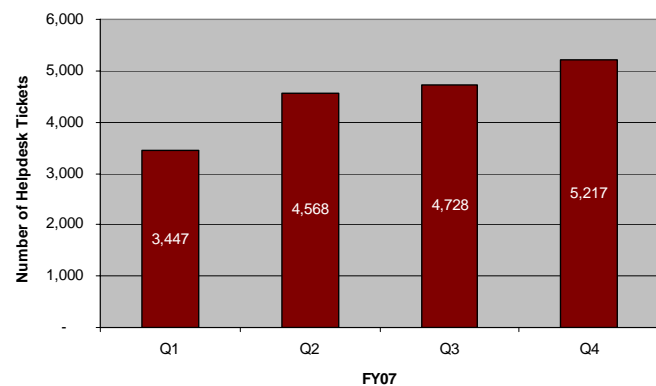
The primary contributor to the rise in Helpdesk tickets was the FY07 FBMS D2 deployment, NBC's first release of the FBMS core financials. Due to the large number of defects within the system, the number of FBMS-related helpdesk tickets was extremely high, totaling 9,451 in FY07, 53% of the total number of tickets. Additionally, FM acquired several new customers throughout FY07, accounting for an increase in tickets throughout the year.

Figure 2.6.11 – Percent of Time FM System is Available to Users

Figure 2.6.11 represents the percent of time the FM system is available to users by quarter in FY07. Availability is defined as that all production systems are available 24/7/365, except during established periods of maintenance. During FY07 the FM system was 100% available to users each quarter, exceeding the SLA goal of 99%.

In order to ensure system availability FM uses programs to identify space utilization trends and is able to successfully address issues as they arise to mitigate risk of downtime for clients.
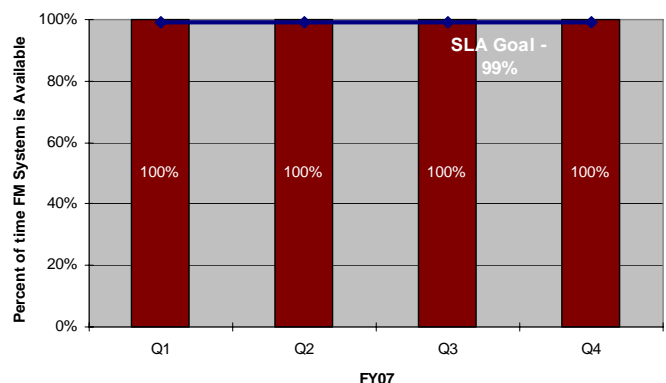
Figure 2.6.12 – Percent of SLA Metrics Met by Quarter in FY07

Figure 2.6.12 represents the percent of SLA metrics met by quarter in FY07. In Q1 FM met 78% of its SLA metrics. In Q2 the percent of SLA metrics met increased to 87%. There was a slight increase in Q3 to 91%, and another increase in Q4 to 100%. Overall in FY07, FM met 89% of SLA metrics.

The lower percent of SLA metrics met during the first three quarters was due to metrics not met which are related to timely vendor payments, and the 97% goal of payments paid by EFT imposed by the Treasury. Additionally, one of the SLA goals, to post 98% of suspense transactions within thirty days, was not met until the fourth quarter. However, this percent of SLA metrics steadily increased throughout the year, as FM improved internal controls and processes.
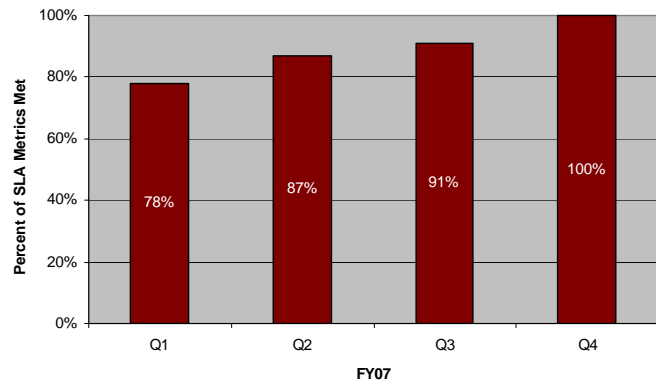
FM LOB Summary

In conclusion, the FM LOB provides an extensive set of customized financial services to DOI bureaus and Federal agencies. During FY07, they processed hundreds of thousands of vendor payments (both Federal and non-Federal) and maintained exceptionally high on-time rates for processing non-Federal payments. During Q1 FY07, FM reported a low percentage for Federal payments processed on time. As a result, FM implemented both procedural and organizational changes including control enhancements to facilitate improvement. This resulted in a significant increase in Federal payments processed on time for the remaining quarters during FY07.

FM also provides considerable helpdesk support for all FM applications and systems, and handled nearly 18,000 helpdesk tickets during FY07. Outside of routine maintenance, FM system availability to users was 100% throughout FY07.

Finally, FM saw steadily improving rates with respect to meeting its SLA goals. As previously stated, Q1 findings resulted in organizational changes, which drastically improved SLA performance for the remaining quarters.

2.7 HUMAN RESOURCES SERVICES LINE OF BUSINESS

Services Provided by the Human Resources Line of Business

NBC's Human Resources LOB provides both day-to-day operational support and project support. Subject matter experts are ready to assist the Department and the Bureaus in the areas of Staff Acquisition, Performance and Compensation Management, Labor Relations as well as a host of other areas.

The Human Resources (HR) Services LOB provides its customers with an extensive set of services to help manage human capital. These services include the following: HR Applications Services such as personnel and payroll operations and migration of clients to NBC's systems, and HR Operations Services such as employee and labor relations assistance, incentive awards programs, and recruitment and staffing. In FY07, HR provided payroll services to over 280,000 employees throughout DOI and other Federal agencies. HR LOB's mission is to be a center for excellence in providing shared HR services to its customers. Its focus on providing superior customer service is evident in all aspects of service delivery.

A summary description of each service offering is provided in Figure 2.7.0.

Figure 2.7.0: Human Resources LOB Service Offerings

Service Offerings	Service Offering Description
HR Application Services	These services include the hosting, operation, and maintenance of information technology systems to provide customers the following HR functionality: payroll management, personnel action processing, time and attendance management, labor cost distribution, benefits processing, and data warehousing for reporting and analysis. These HR functions are considered "core" by OPM for an HR Shared Services Center.
HR Operational Services	These services allow client agencies to outsource back-office HR transactions to NBC for the following HR functions: personnel action processing and recordkeeping, benefits administration, compensation administration, employee relations management, performance management, workforce analysis, planning and development, position management and classification management, and recruitment and staffing.

The HR Services LOB has been a key portion of NBC's business for more than 30 years. The HR LOB has linked its Strategic Direction to the President's Management Agenda (PMA) by aligning its mission, vision, and goals to the vision and strategic direction of the PMA. This strong link to the PMA, as well as HR's highly regarded position in the Federal marketplace, drives its vision to be the "preferred" Shared Services Center (SSC) for HR and e-Payroll Services. The HR staff is highly trained and experienced in all facets of human resources including personnel action processing, payroll processing, time and attendance, labor cost distribution, recruitment, benefits administration, employee and labor relations management, human capital strategy planning, performance management and position classification. Additionally, the HR staff is innovative, creative, and customer focused and is positioned to deliver excellence in HR products and services. In HR's continuing effort to be a market leader, they are pursuing ISO 9001 certification in 2008 for the HR SSC.

Human Resources Services LOB Performance Analysis

In this report, the following indicators and analyses are presented for Human Resources Services:

- Number of Payroll Disbursements by Quarter in FY07

- Dollar Value of Payroll Disbursements by Quarter in FY07

- Average Value of a Payroll Disbursement by Quarter in FY07

- Percent of Employee Calls Responded to On-Time by Quarter in FY07

- Percent of Employee Calls Resolved On-Time by Quarter in FY07

- Percent of System End-User Calls Responded to On-Time by Quarter in FY07

- Percent of System End-User Calls Resolved On-Time by Quarter in FY07

- Percent of SLA Metrics Met by Quarter in FY07

During FY07, the Human Resources Services LOB saw excellent performance in regards to its percent of SLA metrics met, as well as its customer satisfaction ratings. For its remaining measures described in this report, the HR Services LOB reported extremely consistent results for the majority of its performance measures. Some minor fluctuations occurred during Q3 as a result of seasonal factors, particularly revolving around temporary employees during the summer due to wild land firefighting activity, as well as an increase in National Park usage and support. Greater detail for these indicators, as well as the SLA metrics and customer service ratings are provided in the subsequent sections.

Figure 2.7.1 – Number of Payroll Disbursements by Quarter in FY07

Figure 2.7.1 provides the total number of payroll disbursements processed by quarter in FY07. In Q1, NBC processed 1.45M disbursements. The number of disbursements increased to 1.47M in Q2. In Q3 there was an increase of 3.9%, totaling 1.53M payroll disbursements. There was a slight decrease in Q4 to 1.48M disbursements. The total number of payroll disbursements for FY07 was 5.92M disbursements.

The slight increase in the number of disbursements from Q1 to Q2 can partially be attributed to the Social Security Administration (SSA) customer account. SSA experiences a jump in hiring in Q2 each year in order to handle the influx of tax reports due April 15th.

The increase in the number of disbursements in Q3 can be attributed to seasonal increases in employees. Several DOI bureaus hire temporary employees during the summer due to wild land firefighting activity as well as an increase in National Park usage and support. These levels are lower during the colder months, during Q1 and Q2.

Other general conditions that affect the number of payroll disbursements NBC processes are dependent upon customer's business. These factors include but are not limited to the following: new hires, retirements/buy outs, reductions in force, and special programs in agencies necessitating an increase in Full Time Employee (FTE) levels.
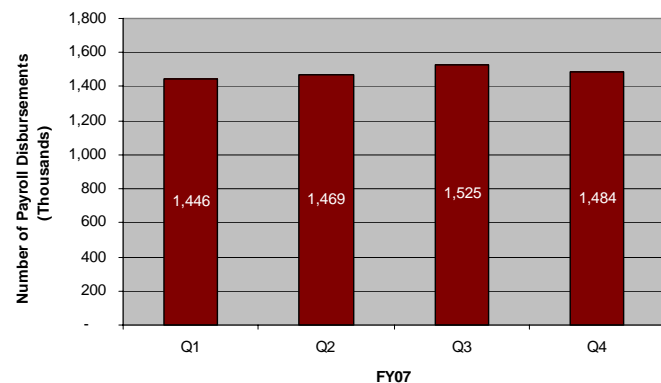
Figure 2.7.2 – Dollar Value of all Payroll Disbursements by Quarter in FY07

Figure 2.7.2 provides the total value of payroll disbursements processed by quarter in FY07. In Q1, NBC processed $5.73B in disbursements. The number of disbursements slightly decreased to $5.71B in Q2. In Q3 there was an increase of 4.2%, totaling $5.95B in payroll disbursements. There was a larger decrease in Q4 of -4% to $5.71B. The total value of payroll disbursements for FY07 was slightly over $23B.

The dollar value of payroll disbursements in FY07 varied only slightly except for a 4.2% increase from Q2 to Q3. This trend can be explained by the reasons noted for Figure 2.7.1, as there is generally a seasonal increase in employees during Q3 each year.
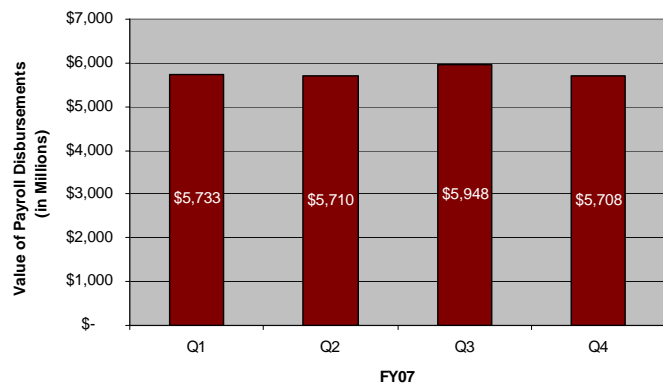
Figure 2.7.3 - Average Value of a Payroll Disbursement by Quarter in FY07

Figure 2.7.3 represents the average value of a payroll disbursement by quarter in FY07. In Q1, NBC's average payroll disbursement was $3,963. The average value decreased by 2% to $3,887 in Q2. In Q3, the average value increased to $3,900. In Q4 there was another decrease of 1% to $3,846. The average value of a payroll disbursement in FY07 was $3,899.

Generally, a large number of performance awards are issued in Q1 each year, resulting in slightly higher average disbursement values. Through the rest of the year in FY07, the average value of payroll disbursements stayed relatively stable.
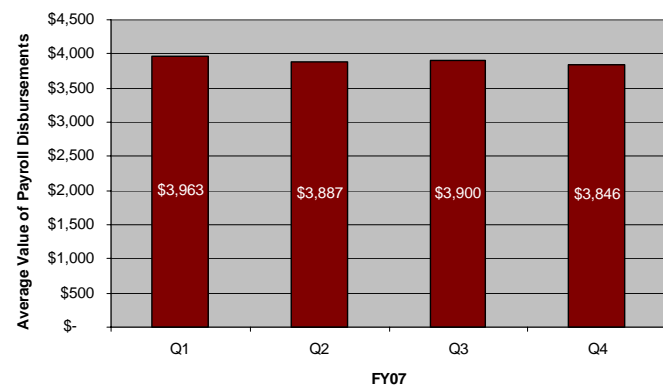
Figure 2.7.4 – Percent of Employee Calls Responded to On-Time by Quarter in FY07

Figure 2.7.4 represents the percent of employee calls responded to on-time (within two hours) by quarter in FY07. In Q1, HR Services responded to 100% of employee calls on-time. There was a decrease in the response rate in Q2 to 97.89%. The rate increased in Q3 to 99.62%. Q4 was the only quarter in which HR Services did not meet the SLA goal of a response rate of 95%. In Q4, the percent of calls responded to within two hours was 91.67%. In FY07 the average on-time response rate was 97.3%. In FY08, HR Services may revise this goal, to reflect the high level of service provided in FY07.

There was a large decrease in the percent of employee calls responded to on-time in Q4. While only three calls were not responded to within the two hour time period, there was a much lower volume of calls during this period. Therefore, these three unanswered calls represented nearly 10% of the employee calls in Q4, lowering the percent responded to on-time below the goal.
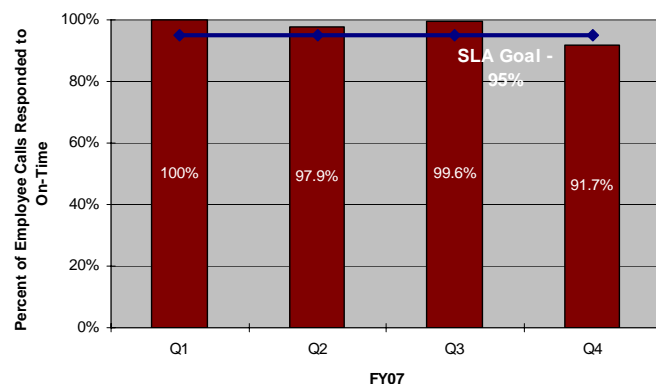
Figure 2.7.5 – Percent of Employee Calls Resolved On-Time by Quarter in FY07

Figure 2.7.5 represents the percent of employee calls resolved on-time (within 24 hours) by quarter in FY07. In Q1, HR Services resolved 99.67% of employee calls on-time. There was a slight increase in the resolution rate in Q2 to 99.81%. The rate increased again in Q3 to 99.84%. Similar to the employee call response rate, Q4 was the quarter with the lowest resolution rate. In Q4, the percent of calls resolved within 24 hours was 99.36%. In FY07 the average on-time resolution rate was 99.67%. In FY08, HR Services may revise this SLA goal, reflecting the high level of service provided in FY07.
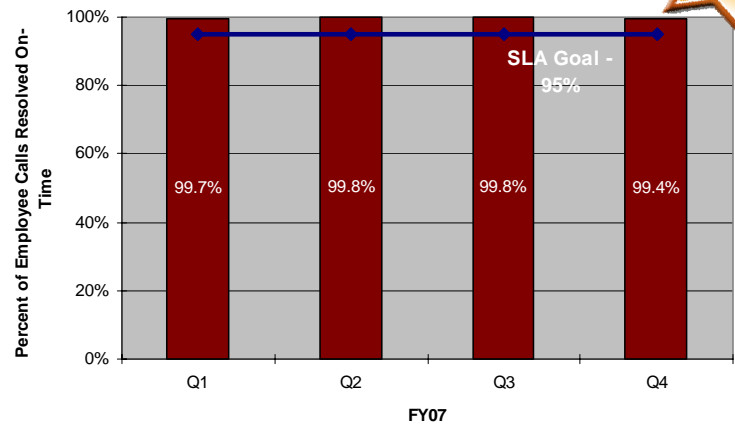
Chart: Percent of Employee Calls Resolved On-Time, FY07. SLA Goal - 95%. Q1: 99.7%, Q2: 99.8%, Q3: 99.8%, Q4: 99.4%

Figure 2.7.6 – Percent of System End-User Calls Responded to On-Time by Quarter in FY07

Figure 2.7.6 represents the percent of system end-user calls responded to on-time (within 4 hours) by quarter in FY07. System end-users are HR representatives from clients. In Q1, HR Services responded to 99.69% of system end-user calls on-time. There was a slight increase in the response rate in Q2 to 99.79%. The rate increased again in Q3 to 100%. In Q4 the percent of calls responded to within 4 hours was 99.75%. All response rates in FY07 were above the SLA goal of 90%. In FY07 the average on-time response rate was 99.81%. In FY08, HR may revise this SLA goal, reflecting the high level of service provided in FY07.
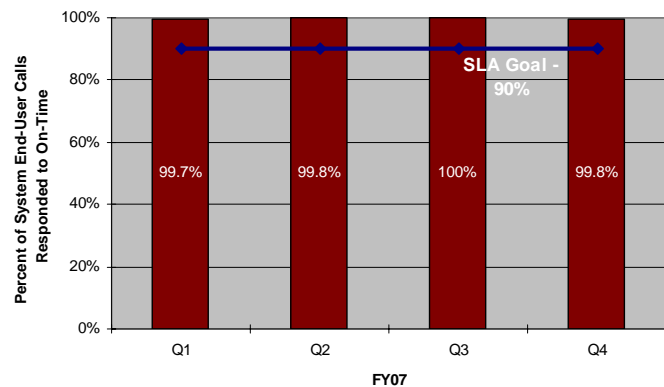
Chart: Percent of System End-User Calls Responded to On-Time, FY07. SLA Goal - 90%. Q1: 99.7%, Q2: 99.8%, Q3: 100%, Q4: 99.8%

Figure 2.7.7 – Percent of System End-User Calls Resolved On-Time by Quarter in FY07

Figure 2.7.7 represents the percent of system end-user calls resolved on-time (within forty-eight hours) by quarter in FY07. In Q1 NBC resolved 99.78% of system end-user calls on-time. There was a slight increase in the resolution rate in Q2 to 99.83%. The rate stayed steady through Q3 and Q4 at 99.8% and 99.85% respectively. All resolution rates in FY07 were above the SLA goal of 90%. In FY07 the average on-time resolution rate was 99.82%. In FY08, HR may revise this SLA goal, reflecting the high level of service provided in FY07.
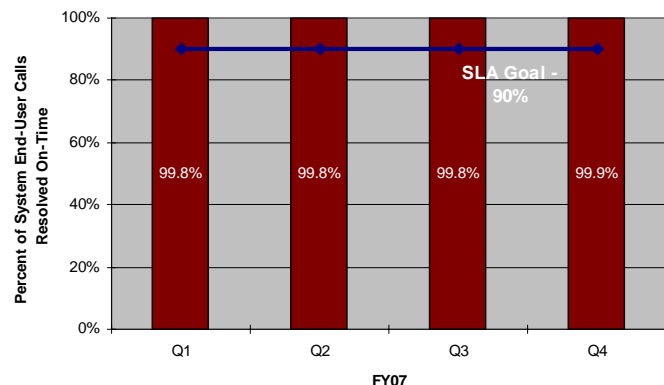
Chart: Percent of System End-User Calls Resolved On-Time, FY07. SLA Goal - 90%. Q1: 99.8%, Q2: 99.8%, Q3: 99.8%, Q4: 99.9%

Figure 2.7.8 – Percent of SLA Metrics Met by Quarter in FY07

Figure 2.7.8 represents the percent of SLA metrics met by quarter in FY07. In Q1 HR met 88% of its SLA metrics. In Q2 and Q3, HR met 100% of the metrics. In Q4, the percent of SLA metrics met slightly decreased to 93%.

One goal not met in Q1 was because of the unavailability of staff to respond to customer inquiries due to inclement weather in Q1. Thus, a new procedure was implemented in Q1 FY08 to notify customers when there is inclement weather and that the HR department will respond as quickly as possible.

In Q4, the SLA goal that was not met was the percent of employee calls responded to on-time (Figure 2.7.4). This Q4 decrease can be explained by the same reasons noted for the Figure 2.7.4. While only three calls were not responded to on-time, there was a low volume of calls during this period, resulting in a 91.7% on-time response rate, not reaching the goal of 95%.
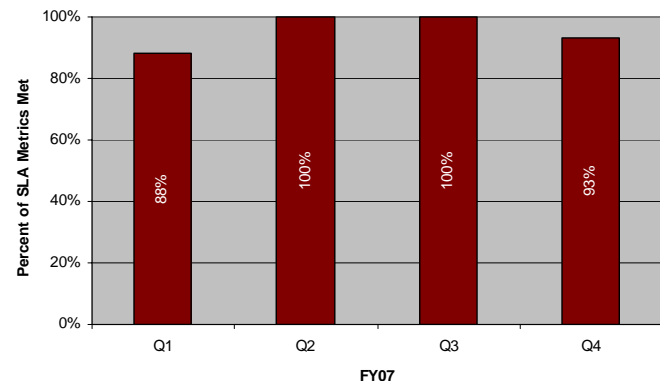
HR LOB Summary

In conclusion, the HR LOB provides various services related to human capital including HR Applications Services such as personnel and payroll operations and migration of clients to NBC's systems, and HR Operations Services such as employee and labor relations assistance, incentive awards programs, and recruitment and staffing. They handled nearly six million payrolls disbursements totaling almost $25B during FY07. They maintained very strong response ratings to both employee as well as system end-user calls responded to and resolved on time. These response rates translate to similar results for HR's ability to meet their SLA metric goals.

2.8   INFORMATION TECHNOLOGY SERVICES LINE OF BUSINESS

Services Provided by the Information Technology Services LOB

The Enterprise Infrastructure Division of the Information Technology LOB is responsible for providing Data Center management, operations, communications, and customer services support for the automated administrative systems operating at the National Business Center in support of the Department as well as other Federal Clients.

As NBC was growing and expanding its client base over the last several years, multiple IT business units at different geographical locations were consolidated into a central IT Services LOB. Today, the IT Services LOB is comprised of different business units located in Colorado, Idaho, Virginia, and Washington DC. Each of these business units have their own interpretation of how IT services are delivered and each operate as traditional "siloed" IT organizations.

The future vision of the IT Services LOB is to take the consolidated business units and centralize into a shared service delivery organization. IT LOB will focus on offering premier IT infrastructure and integration services in their product support and delivery to LOBs within the NBC, DOI's Office of the Secretary, as well as existing and future external customers. In order to become the premier IT service provider, the IT LOB is executing a plan of action to improve current service quality, effectiveness, and efficiency by FY09.

IT Services LOB will also focus on providing and improving the quality of service when delivering flexible, adaptable and secure applications. This effort includes evaluating and improving overall business management, project management, engineering and design, customer service, governance, and operations and maintenance processes, procedures and performance.

Currently, IT Services LOB provides basic IT services (e.g., desktop, messaging, productivity support, LAN/WAN connectivity, telephony, Blackberry, audio/visual, and help desk) to the NBC and DOI Office of the Secretary. In the future, IT Services LOB will provide maintainable technical infrastructure on which all NBC LOBs will be able to develop and deliver business solutions, and will define and standardize life cycle management approach to the development and maintenance of new systems in all environments.

The specific Service Offering descriptions for infrastructure services, and web application development and support can be found in Figure 2.8.0.

Figure 2.8.0: Information Technology LOB Service Offerings

Service Offerings	Service Offering Description
Infrastructure Services	Define, design, procure, configure, deploy, support, operate and maintain secure infrastructure hosting of hardware, software, and voice and data services to support both NBC and the DOI Office of the Secretary. Provide limited support for external Government agencies in the hosting of data and applications.
Information Management	eFOIA & Records Management, Disaster Recovery, Enterprise Architecture Planning Policy and Governance
IT Security – Compliance, engineering and operations	Provides IT Security policy, governance, and learning management, and Certification and Accreditation of all NBC Systems

Information Technology LOB Performance Analysis

In this report, the following indicators and analyses are presented for Information Technology Services:

- Number of Helpdesk Tickets in FY07

- Number of Incidents/Attacks Blocked, Thwarted, or otherwise Deterred by Quarter in FY07

- Percent of Helpdesk Tickets Responded to On-Time by Quarter in FY07

- Percent of SLA Metrics Met by Quarter in FY07

For FY07, the IT Services LOB recognized several areas requiring improved performance. In FY07 many measures for this LOB were only collected on an annual basis, however IT Services is improving performance data collection processes in FY08 to allow for greater transparency. One area of improvement which will be a focus for IT Services in FY08 is the IT helpdesk. NBC expects to see a significant increase in customer satisfaction for this LOB in FY08. Greater detail for these indicators is provided in the following sections.

Number of Helpdesk Tickets in FY07

The number of helpdesk tickets includes the number of tickets for all of the Office of the Secretary and NBC, including the Boise, DC, Denver, Herndon, and Reston offices. In FY07, IT did not capture the number of helpdesk tickets by quarter; however, for FY08 this indicator is being tracked and reported on a monthly basis. In FY07, IT responded to a total of 37,885 helpdesk tickets.

Figure 2.8.1 - Number of Incidents Blocked, Thwarted, or Deterred by Quarter in FY07

Figure 2.8.1 represents the number of incidents/attacks blocked, thwarted, or deterred by quarter in FY07. IT deterred approximately 101M incidents in Q1. With a slight increase in Q2, IT deterred approximately 103M incidents. In Q3, the number of incidents deterred decreased to 101M. In Q4 there was a 25% increase and IT deterred approximately 126M incidents.

In Q4, IT increased the number of reporting devices within the systems by 47%. Thus, the increase in the number of incidents deterred in Q4 was attributed to the increase in reporting devices during this same period.
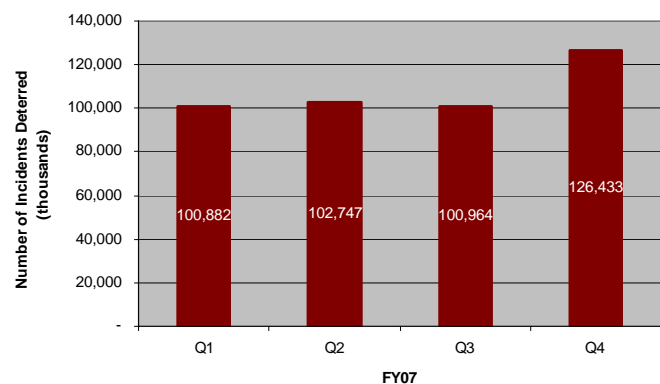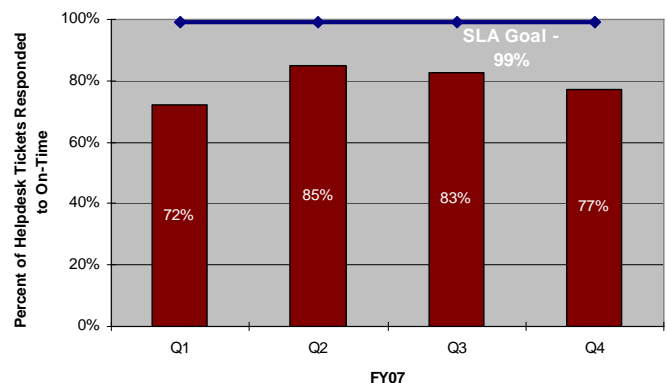

Figure 2.8.2 - Percent of Helpdesk Tickets Responded to On-Time by Quarter in FY07

Figure 2.8.2 represents the percent of IT helpdesk tickets which were responded to on-time by quarter in FY07. The percent is an average of the percent of helpdesk tickets responded to on time for each of the four levels of severity. In Q1, IT responded to 72% of helpdesk tickets on-time. There was an increase in Q2 and IT responded to 85% of helpdesk tickets on-time. In Q3 there was a slight decrease and IT responded to 83% of helpdesk tickets on-time. In Q4, there was another slight decrease and IT responded to 77% of helpdesk tickets on-time. The major contributing factor for the lower percent response time in Q1 and Q4 was an approximate 34% on-

time response rate for Level-1 helpdesk issues. An IT Level-1 issue should be responded to within one hour. In FY07, IT Level-1 helpdesk tickets had consistently lower response rates than the other levels of severity. NBC is working on processes and procedures to continue to improve performance in this area.

Figure 2.8.3 - Percent of SLA Metrics Met by Quarter in FY07

Figure 2.8.3 represents the percent of SLA metrics met by quarter in FY07. In Q1, IT met only 14% of SLA metrics. There was a large increase in Q2 and Q3 as IT met 72% of SLA metrics. There was another increase in Q4, resulting in IT meeting 86% of its SLA metrics. Overall in FY07, IT met 61% of SLA metrics.

IT went through a lot of change during FY07. As new processes and organizational structures were put into place, the organization improved upon its performance goals. Goals not met during FY07 were mostly related to system availability and helpdesk support. These

areas have been a focus for the IT Services LOB, and improvements are expected for FY08. Additionally, IT has been working to incorporate industry standards into their SLA metrics which will be implemented in FY08.
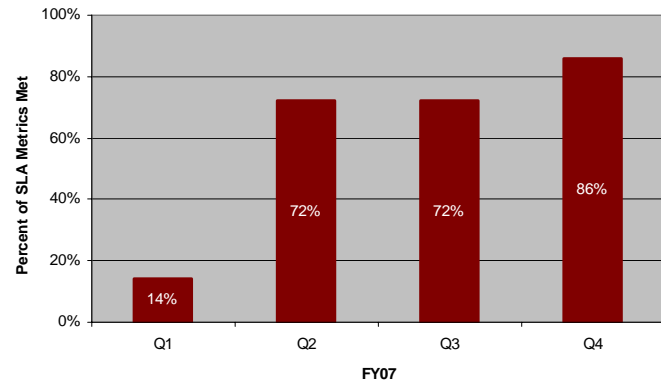
IT LOB Summary

In conclusion, the IT LOB provides IT infrastructure services to other agencies and to the other LOBs within the NBC. The IT LOB's vision is to become the premier provider of IT infrastructure services for DOI and other Federal agencies. To support this vision, operational and organizational enhancements are underway. Additionally, the IT LOB does not currently collect the majority of its performance measures on a quarterly basis, and thus these measures were not included in this report. IT noted several areas of opportunity for improvement with respect to its ability to respond to helpdesk tickets and meet its SLA metric goals in FY07. As a result, the IT LOB has begun implementing streamlined procedures for FY08 to improve results.

2.9 TRAINING SERVICES LINE OF BUSINESS

Services Provided by the Training LOB

NBC offers a unique set of performance improvement solutions services through its DOI University. The DOI University has developed a number of training programs, currently focusing on three primary services offerings: Leadership and Performance Division, Online Learning Division, and Speaker Events. Content within each of these service offerings ranges from performance improvement, to career development and cultural awareness.
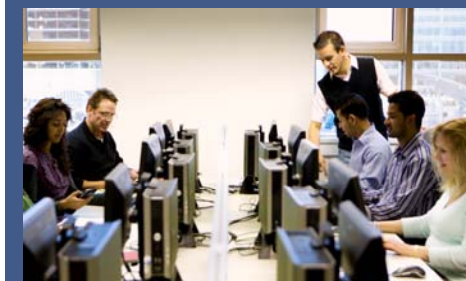
Department of the Interior employees can receive a wide array of classroom training at a variety of convenient locations. Computer based training is also available through DOI University.

Specific service offering descriptions can be found in Figure 2.9.

Figure 2.9: Training LOB Service Offerings

Service Offerings	Service Offering Description
Leadership and Performance Centers (LPC)	LPCs provide performance improvement solutions for: Certificate Programs, Leadership Programs, Intern Programs, and Professional Development.
Online Learning Systems and Services	Includes three services: Online Training (Mandated), Other Customized Courses, and Learning Management Systems (LMS) Services and Support. Provides a one-stop solution to provide and manage online training resources. Courses are delivered through an LMS that provides successful completion information to bureau and office managers for tracking purposes.
Cultural Resources and Events	Includes two services: Executive Forums and Government-Wide Forums. The Government-Wide Forums are programs that offer Federal Agencies an opportunity to increase job satisfaction, quality of work life, lifelong learning and networking opportunities, and a positive agency image. The Executive Forums are programs that offer DOI leadership an opportunity to share ideas/inspirations in featured books.

Training Services LOB Performance Analysis

In this report, the following indicators and analyses are presented for Training Services:

- Number of Professional Development Courses Conducted by Quarter in FY07
- Number of Students in Professional Development Courses by Quarter in FY07
- Average Number of Students per Course by Quarter in FY07
- Percent of Professional Development Courses provided On Time by Quarter in FY07
- Number of Mandatory Online Courses Completed by Quarter in FY07
- Number of New Online Courses Developed by Quarter in FY07
- Percent of SLA Metrics Met by Quarter in FY07
- Customer Satisfaction and SLA Metrics Met in FY07

During FY07, the Training Services LOB saw excellent performance in regards to its percent of SLA metrics met, as well as its customer satisfaction ratings. With regards to the number of Professional Development courses conducted and the number of students enrolled in these courses, the Training Services LOB saw a spike in Q2, which has been a stable trend over the past several years. For FY07, this was as a result of the CRA enacted in Q1 during which customers have limited resources to participate in programs such as training. Once the CRA was lifted in Q2, agencies were able to use funding for these programs, resulting in an increase in workload for the Training Services LOB. Greater detail behind these measures, as well as the SLA metrics met can be found in the subsequent sections.

Figure 2.9.1 – Number of Professional Development Courses Conducted by Quarter in FY07

Figure 2.9.1 provides the total number of Professional Development courses conducted by quarter in FY07. In Q1, NBC conducted thirty-four courses. The number of courses conducted increased by 97% to sixty-seven courses in Q2. In Q3 and Q4 the number of courses decreased to fifty-five and thirty-three respectively. The total number of courses for FY07 was 189.

The trend of an increasing number of courses in Q2 has been a stable trend in the Training LOB over the past several years. Due to the CRA enacted in the beginning of FY07, agencies had limited resources for training, resulting in fewer employees participating in courses that are tuition based like those offered through DOI University. In Q2, when the CRA was lifted, agencies were able to spend funds to send employees to training courses, resulting in an increase in the number of courses conducted. The decrease in Q4 was attributed to a seasonal trend. During the summer months, many people take vacation, and many bureaus have employees which participate in field work during this time. Therefore, the demand for training decreases and fewer courses are offered.
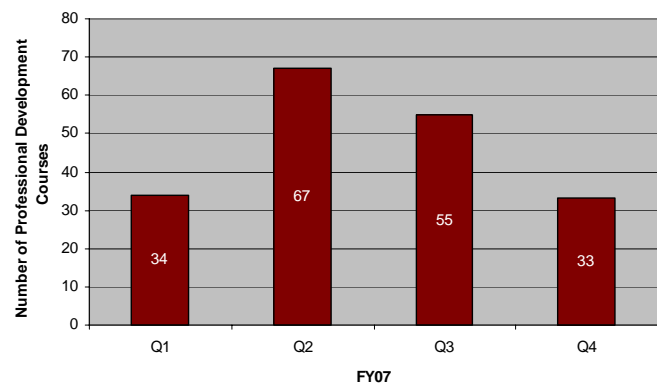
Figure 2.9.2 – Number of Students in Professional Development Courses by Quarter in FY07

Figure 2.9.2 provides the total number of students that participated in Professional Development courses by quarter in FY07. In Q1, NBC had 618 students in Professional Development courses. The number of students increased, by 60%, to 990 students in Q2. Similarly to the number of courses conducted, in Q3 and Q4 the number of students decreased to 837 and 526 respectively. The total number of students in Professional Development courses for FY07 was 2,971.

The number of students participating in Professional Development courses is directly related to the number of courses conducted. Training does not provide a course unless a certain number of students register to attend. This policy prevents unnecessary cost associated with providing courses without funds to support the training. The trend for this indicator can be explained by the same reasons as noted in Figure 2.9.1. The numbers of students increased as funding restrictions were lifted during Q2. As the summer months commence, fewer employees are available to take training due to participation in field work and an increase in vacations.
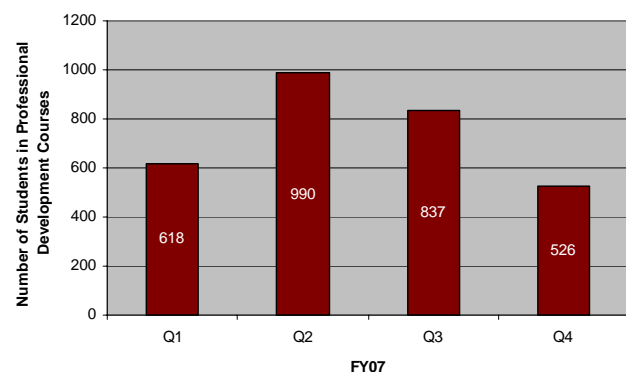
Figure 2.9.3 – Average Number of Students per Course by Quarter in FY07

Figure 2.9.3 provides the average number of students in Professional Development courses by quarter in FY07. During FY07, the average number of students per course stayed fairly stable, decreasing only slightly after Q1 from eighteen to fifteen students per course. In Q2 and Q3 there was an average of fifteen students per course. In Q4, there was an average of sixteen students per course. Overall in FY07, there was an average of sixteen students per course. As noted in Figure 2.9.2, the number of students per course stays stable during the year because Training does not provide a course unless a certain number of students register to attend.
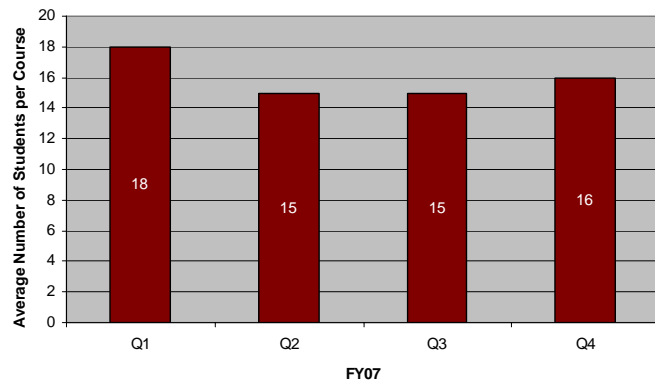
Figure 2.9.4 – Percent of Professional Development Courses Provided within Scheduled Time Frames by Quarter in FY07

Figure 2.9.4 provides the percent of Professional Development courses provided within scheduled time frames by quarter in FY07. During FY07, Training provided 100% of courses within the scheduled time frames, exceeding the SLA goal of 95%. In FY08, Training may revise this SLA goal, reflecting the high level of service provided by this LOB.
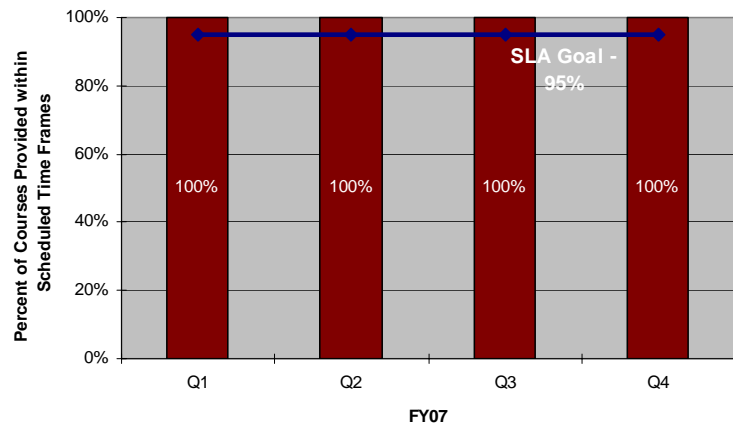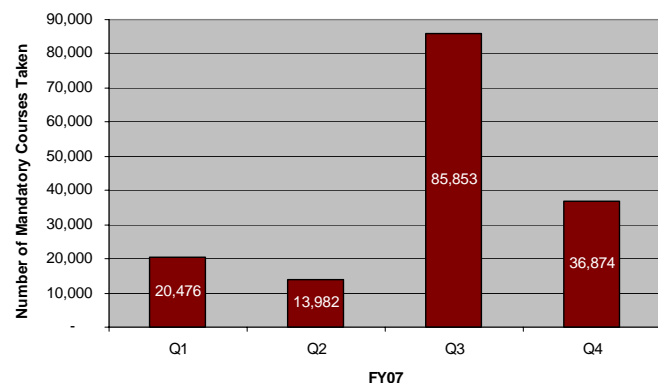
Figure 2.9.5 – Number of Mandatory Online Courses Completed by Quarter in FY07

Figure 2.9.5 provides the number of mandatory online courses taken by quarter in FY07. Training LOB offers four mandatory online training courses every year to DOI employees. These include the following: Federal Information Systems Security Awareness (IT Security), Records Management Awareness, Orientation to the Privacy Act, and Discrimination and Whistleblowing in the Workplace (No Fear Act). Each of these trainings is an annual mandatory requirement for DOI employees. In Q1 DOI employees took 20,476 mandatory online courses. In Q2, the number of courses completed decreased by 32% to 13,982

courses. In Q3 the number of courses completed increased by 514% to 85,853 courses. There was another decrease in Q4, of 57%, to 36,874 courses completed. Overall for FY07 there were 157,185 mandatory online courses completed.

While each bureau decides when they want to deploy the courses, most bureaus conduct training in Q3. Specifically in FY07, there were two mandatory trainings deployed in Q3 (IT Security, and Discrimination in the Workplace training), resulting in a much higher completion level. In Q3, 49,642 employees completed the IT security training, and 22,796 employees completed anti-discrimination and whistleblowing training. Employees are required to complete all four mandatory trainings by the end of the fiscal year, therefore the higher number of courses completed in Q4 can be attributed to an effort to complete trainings before the close of FY07.

Figure 2.9.6 – Number of New Online Courses Developed

Figure 2.9.6 provides the number of new online courses developed by quarter in FY07. Training developed five courses in Q1 and three in Q2. During Q3, Training did not develop any new online courses. In Q4, Training developed another three new online courses. Overall in FY07, Training developed eleven new online courses. The number of new online courses developed can vary depending on developer schedules, customer demand, and development timelines.
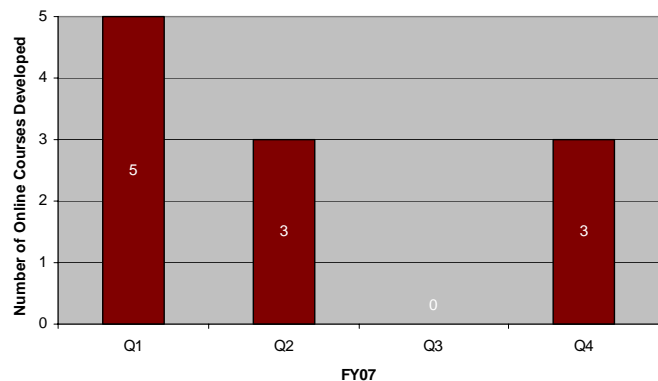

Figure 2.9.7 – Percent of SLA Metrics Met by Quarter in FY07

Figure 2.9.7 provides the percent of SLA Metrics met by quarter in FY07. In Q1, the Training LOB met 93% of its SLA metrics. There was a slight decrease in Q2 and Training met 91% of SLA metrics. In Q3, Training increased the percent of SLAs met to 95%. There was a large decrease to 81% of SLAs met in Q4. Overall Training Services met 90% of SLA metrics in FY07.

The SLA metrics which were not achieved in Q4 dealt with evaluations within the intern programs. Intern evaluations are performed by the sponsoring agency; therefore it is difficult for Training Services

to enforce compliance for this metric. However, to monitor this program, Training Services has on-site supervisors and in Q4 Training was still awaiting a supervisor and only a portion of the interns received post-evaluations. To alleviate this issue, Training has met with the sponsoring agencies of the intern program and has provided them with a rotational evaluation schedule to ensure that the host agency provides internal oversight for completing these evaluations on-time.
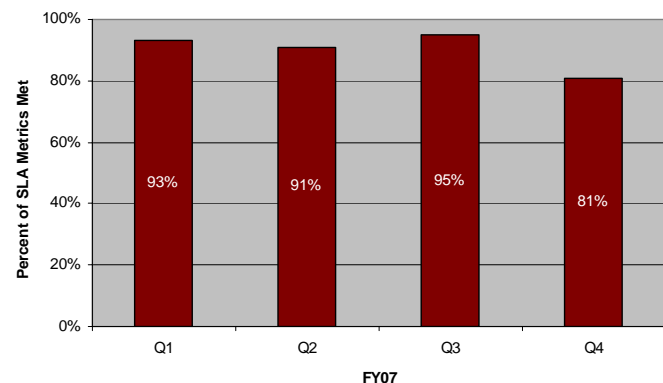
Training LOB Summary

In conclusion, the Training Services LOB provides many services to support professional development. The data shows that workload for this NBC Directorate is affected by customer demand, and Congressional budgetary restrictions. Regardless of demand, however, Training continues to provide excellent, efficient, effective, and on-time service. This is shown specifically by the Training LOB achieving 100% rate of professional development courses provided on-time. Additionally, Training continues to support DOI's need for mandatory online training programs such as IT Security Awareness and Document Retention.

Section 3: CONCLUSION

The NBC is embedding performance management principles into its core operating processes throughout its eight LOBs. At the core of this approach is the philosophy that operating performance information serves multiple purposes, both strategic and tactical. In pursuit of this principle, NBC has incorporated the use of performance information to direct strategic planning initiatives, to complete business and operational planning efforts, and to improve services provided to customers. Towards this end, the NBC obtains and analyzes relevant performance data to clearly demonstrate and communicate operational performance. This approach will enable the NBC and its customers to have better insight and a more common understanding as to how effectively, efficiently, and economically the NBC provides shared services.

The operational performance analysis described within this FY07 NBC-wide OPR provides an overall indication of NBC performance. Specifically, the efficiency and effectiveness of each LOB have been presented with particular emphasis on the outputs (production) of those services and the outcomes (value) provided to customers. This report also discusses overall SLA metrics and annual customer satisfaction levels, which are critical indicators when assessing the performance of a shared service provider such as the NBC.

The results of this report indicate that the NBC consistently meets the majority of its service commitments contained within Service Level Agreements. In addition, a direct correlation between the generally high SLA achievement rate and the NBC's high customer satisfaction levels for FY07 was also identified. Moreover, a number of the NBC's individual LOBs demonstrated the ability to provide exemplary services, thereby signifying that they are leading providers of these specific shared services within their respective areas. These LOBs are highlighted in the following "gold star" services section.

"Gold Star" Services

As detailed in the previous LOB sections, the NBC's Admin Ops LOB provides drug testing services for 90% of all Federal agencies and maintained 100% accuracy for these drug tests performed during FY07. As the leading provider of this service, Admin Ops' drug testing service is well positioned to expand its customer base to the remaining 10% of the available market. The greatest opportunity for growth is expanding the customer base not only to Federal, but also to state and local governments.

The NBC's Aviation Management Directorate is also a leading provider for shared services involving aircraft safety and prevention. AMD performs thousands of aircraft inspections for DOI bureaus and numerous Federal agencies and was able to complete these inspections on-time 99% of the time for FY07. Similarly, the NBC's FM LOB processes hundreds of thousands of vendor payments annually and maintained a 99% on-time processing rate for FY07. The NBC's HR LOB, which is responsible for handling thousands of employee calls related to payroll processing and other HR issues, resolved all employee calls on-time 99.7% of the time. And finally, the NBC's Training LOB, which conducts hundreds of professional development programs annually, provided these programs within the scheduled timeframes 100% of the time for FY07.

These performance results demonstrate only a subset of the NBC's strong FY07 performance across all LOBs. However, these results are the most indicative measures of the NBC's ability to provide a wide array of premiere shared services to a number of customer organizations with varying needs. This report confirms the NBC's continued commitment to providing shared services in the most efficient, effective, and economic manner possible. The NBC endeavors to work collaboratively with customers to accomplish these objectives.